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STATE OF CALIFORNIA
CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD
SPECIAL WASTE AND MARKET DEVELOPMENT COMMITTEE MEETING

JOE SERNA JR., CAL EPA BUILDING
COASTAL HEARING ROOM
1001 I STREET, SECOND FLOOR
SACRAMENTO, CALIFORNIA

MONDAY, MAY 6, 2002

1:35 P.M.

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

A P P E A R A N C E S

COMMITTEE MEMBERS PRESENT:

STEVEN R. JONES, CHAIR
LINDA MOULTON-PATTERSON
DAN EATON
DAVID A. ROBERTI

PRESENT:

MARK LEARY, Executive Director
KATHRYN TOBIAS, Chief Legal Counsel
ELLIOT BLOCK, Legal Counsel
JEANNINE BAKULICH, Committee Secretary
LILAH SAMPAIO, Board Assistant

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1 P R O C E E D I N G S

2 --oOo--

3 COMMITTEE CHAIR JONES: All right. We don't
4 have a gavel so we're just going to have to use my
5 knuckles.

6 Good afternoon, welcome to the second committee
7 meeting, and it would be the meeting of May for the
8 Special Waste and Market Development Committee.

9 Could you call the roll?

10 BOARD SECRETARY BAKULICH: Eaton?

11 BOARD MEMBER EATON: Aye -- here.

12 BOARD SECRETARY BAKULICH: Moulton-Patterson?

13 BOARD MEMBER MOULTON-PATTERSON: Here.

14 BOARD SECRETARY BAKULICH: Roberti?

15 (Not present.)

16 BOARD SECRETARY BAKULICH: Jones?

17 COMMITTEE CHAIR JONES: Here. All right.

18 We're obviously going to start, I'm going to ask if
19 anybody has ex-parte, we didn't used to, but does
20 anybody have any ex-parte on these issues?

21 Mr. Eaton.

22 COMMITTEE MEMBER EATON: Not anything dealing
23 with special waste.

24 COMMITTEE CHAIR JONES: Okay. Madam Chair.

25 COMMITTEE MEMBER MOULTON-PATTERSON: I said

1 hello to Pete Price and he introduced me to a gentleman,
2 and I'm sorry, I've forgotten your name.

3 MR. HALL: George Hall.

4 COMMITTEE MEMBER MOULTON-PATTERSON: Thank you.

5 COMMITTEE CHAIR JONES: Thanks, Madam Chair.

6 And I have none.

7 Mr. Eaton.

8 COMMITTEE MEMBER EATON: Yeah, chairman, I was
9 wondering if I might have a request.

10 Item number eighteen, which is consideration of
11 the waste tire enforcement grant for the California
12 District Attorney's Association; I received a memo dated
13 March 15th from our executive director and our chief
14 counsel regarding the use of these funds.

15 On March 18th my office, at my direction, wrote
16 a memo to both, Mr. Leary asking a series of questions.
17 To date, we have not gotten answers to those questions.

18 And then in a follow-up phone call on April
19 3rd, Mr. Leary said he was informed that the legal
20 office had taken care of it.

21 To date, we had not yet received any
22 information with regard to at least three questions
23 which are going to follow a series of questions two
24 months later.

25 Then on Thursday we get the packet which

1 supposedly was going to have some of this information in
2 it. And I just think that it's not proper to take up
3 this matter and hold it over until I can at least get
4 some answers to my questions.

5 And I think that it's only fair and reasonable
6 that the matter be put over until I have an opportunity
7 to get these answers to these questions and then have
8 the ability to do some follow-up.

9 And I just don't understand why I can't get any
10 response from either the executive director or the legal
11 office when I make a request. Perhaps we can ask 'em
12 here in public.

13 EXECUTIVE DIRECTOR LEARY: Thank you. And, in
14 fact, if you have not received an answer I sincerely
15 apologize for that. I did, in fact -- I wasn't the
16 staff person working that issue, I thought the staff
17 person had gotten back to your office, and I sincerely
18 apologize if they haven't.

19 And maybe a reasonable outcome would be we
20 don't take it up today, and I will resurrect that memo
21 and have those answers to you within 24 hours.

22 COMMITTEE MEMBER EATON: But the memo says to
23 contact you, that's what I don't understand. If the
24 memo says, if the original memo said to contact you, if
25 I had any questions to contact you, I did contact you,

1 and it's like nearly two months later and I've gotten
2 nothing from you or legal. And waiting 24 hours ain't
3 gonna do me.

4 The series of questions are designed so that I
5 can do further inquiry of which I have some personal
6 knowledge of this program.

7 And now you're going to get the answers in 24
8 and then expect me to be able to in a week respond to
9 it, and I don't think it's fair and reasonable. I'd
10 given enough advance notice, almost two months, that
11 this was an issue of concern to me, and now I don't have
12 that answer.

13 So I would request that we move it over for at
14 least 60 days to give me an opportunity to get the
15 answers.

16 COMMITTEE CHAIR JONES: Okay. I do, I think we
17 owe it to Mr. Leary, if he turned it over to his staff
18 and his staff didn't follow through then, you know,
19 clearly there's an issue, maybe somebody was working on
20 it and didn't get to Mr. Eaton's concerns. I mean I can
21 understand how --

22 LEGAL COUNSEL TOBIAS: And if it is the legal
23 office then I apologize as well. I'm not aware of, you
24 know, what the questions were, and it's something that I
25 can certainly look at immediately as well.

1 I don't know that it would take us 60 days to
2 do that, but I'd certainly go along with whatever the
3 committee decided.

4 COMMITTEE MEMBER MOULTON-PATTERSON: Mr. Leary,
5 I would suggest that you pull it for at least a month so
6 Mr. Eaton can get his questions answered.

7 EXECUTIVE DIRECTOR LEARY: Certainly.

8 COMMITTEE CHAIR JONES: And that will be --

9 COMMITTEE MEMBER MOULTON-PATTERSON: Would that
10 do it?

11 COMMITTEE MEMBER EATON: Yes.

12 MS. GILDART: We can certainly pull it and
13 bring it back later, but that would mean we'd be
14 considering next fiscal year's money. So then bringing
15 it in June would not really gain us anything.

16 COMMITTEE CHAIR JONES: Well, sometimes
17 unfortunately that happens. What we're going to do then
18 is --

19 COMMITTEE MEMBER EATON: What would be gained
20 is it would give me the ability give me the credibility
21 of whether or not the money should be reallocated. Is
22 this not a continuously appropriated fund?

23 MS. GILDART: Right, it's not. So what I'm
24 saying is you could take a little more time if you
25 wanted. June would not give us enough time to enter

1 into this agreement for this fiscal year's money, so we
2 would be looking at next fiscal year's money, so we
3 could come back in June or July or August, whatever
4 meets your preference. I'm saying that we don't mean to
5 rush because we would be using the opportunity to use
6 this fiscal year's money, that's all.

7 COMMITTEE CHAIR JONES: So what you're
8 basically saying is that if it takes longer than thirty
9 days that we'd be allocating 03-04 dollars?

10 MS. GILDART: '02-'03.

11 COMMITTEE CHAIR JONES: '02-'03.

12 MS. GILDART: Next fiscal year's dollars would
13 have to be used to fund this if we, if the Board doesn't
14 act on this in May, which is fine. I'm just saying you
15 don't have to rush it back in June.

16 COMMITTEE CHAIR JONES: Okay. So it sounds
17 like we're going to pull it for sure for thirty days.
18 If Mr. Eaton's, I mean if we can't get clarity, then if
19 it gets postponed for 60 days or even longer, I think
20 that this committee is okay with that as long as he gets
21 the answers that he needs. Is that reasonable?

22 EXECUTIVE DIRECTOR LEARY: Absolutely. Again,
23 I sincerely apologize, I really thought that it had been
24 taken care of. I apologize if it hadn't.

25 COMMITTEE MEMBER EATON: You know, I did make

1 the attempt to do followup questions, I just didn't do
2 one memo, we contacted you on several occasions.

3 EXECUTIVE DIRECTOR LEARY: And I appreciate
4 that.

5 COMMITTEE MEMBER EATON: It's not being done.
6 But when I ask questions and then the memo comes out and
7 I follow what's done, I expect it to be done.

8 EXECUTIVE DIRECTOR LEARY: Absolutely.

9 COMMITTEE MEMBER EATON: Otherwise we're going
10 to have more and more of these.

11 MR. PHILLIP: Mr. Eaton, my name is Miguel
12 Phillip, I'm from the California District Attorney's
13 Association. Ms. Moulton-Patterson, Mr. Jones, Mr.
14 Leary, perhaps I can facilitate some of the concern that
15 you had.

16 I'm familiar with the circuit prosecutor
17 project, I am the director of the circuit prosecutor
18 project both on the environmental side as well as the
19 worker safety side and have been for three years.

20 So if there are some questions that you do have
21 it could very well be that I might be able to provide
22 the answers for you here today.

23 COMMITTEE MEMBER EATON: I think once I get the
24 initial questions I'll have a series of followup
25 questions as well that I think perhaps hopefully you and

1 your organization can then respond to.

2 COMMITTEE CHAIR JONES: We are going to have
3 the Deputy Director's report for Special Waste.

4 MS. WILLD-WAGNER: Good afternoon, committee
5 members, Shirley Willd-Wagner with the Special Waste
6 Division. And the Used Oil Household Hazardous Waste
7 Branch just has a couple of items I'd like to bring you
8 up to date on.

9 The first is our annual statewide household
10 hazardous waste conference occurring in Ventura May 21st
11 to the 24th. A couple of Board members, Mr. Medina will
12 be giving some of the opening remarks, specifically
13 highlighting the strategic plan that the Board recently
14 adopted, because that was specifically requested by this
15 group to hear about the Board's strategic plan and the
16 product stewardship goals in there.

17 Also Chair Moulton-Patterson will be helping
18 with the awards ceremony where we honor outstanding
19 programs statewide and outstanding service to the
20 household hazardous waste and waste prevention.

21 Another, the other thing I wanted to mention is
22 that a number of Board staff participated in a very
23 successful workshop last week, "Fostering Sustainable
24 Behavior."

25 I wanted to thank Sheridan Merritt from the

1 Office of Organizational Effectiveness in helping to
2 pull this together. We had a pretty much world-renowned
3 speaker giving us a full day workshop, and then he also
4 did a follow-up with members of the used oil staff, Dr.
5 Doug McKenzie-Vlohr.

6 And there was a lot of excitement generated. I
7 think it will really help us direct more clearly our
8 future outreach efforts here at the Board. And I know
9 it will fit into our used oil five year plan that we're
10 working on developing and the way that we outreach to
11 ensure effective behavior changes.

12 That's all from our branch and then we're going
13 to go onto the items.

14 COMMITTEE CHAIR JONES: All right. Go ahead.
15 Item B, I guess.

16 MS. GILDART: Item B and item C are continued
17 from last month's agenda. They involve a scope of work
18 for an interagency agreement with the California Highway
19 Patrol.

20 As a brief note of background, the genesis of
21 this concept goes back to two previous agreements that
22 the Board had with the California Highway Patrol for
23 similar support to the Board's waste tire program.

24 The work of these agreements was acknowledged
25 with the Board's adoption of the five year plan which

1 laid out funding allocations for each of the five years,
2 a total of \$2.2 million has been approved by the Board
3 to work with the California Highway Patrol in their
4 support of our waste tire hauler program and the waste
5 tire facility permitting and enforcement program.

6 At this time Steve Posner with the waste tire
7 enforcement section will be presenting the details of
8 the scope of work and interagency agreement.

9 MR. POSNER: Good afternoon, Board members.

10 Since last month's Board meeting we've had an
11 opportunity to meet with the CHP and discuss in detail
12 the scope of work.

13 And they have expressed a desire to go ahead
14 and conduct the program. They were interested in all
15 aspects of the program, all the items that are
16 identified in the scope of work. They agreed that they
17 could and would be willing to do.

18 And they've also provided us budget figures
19 showing what it cost to fly over the state the last
20 time. That's a process that took a couple of years.
21 And it's been approximately three years, a little over
22 three years since they actually began flying over the
23 state the last time.

24 Now, as Martha said, the five year plan budgets
25 this money, we have \$200,000 allocated for '01-'02 and

1 then 400,000 for '02-'03.

2 As far as the aerial surveillance part of the
3 program, our emphasis initially will be on trying to
4 locate those sites which we were unable to find based on
5 the information that the CHP originally submitted.

6 And then after that we would then propose that
7 the CHP begin flying over the entire state in an attempt
8 to locate illegal tire piles throughout the state.

9 Is there any questions?

10 COMMITTEE CHAIR JONES: Madam Chair.

11 COMMITTEE MEMBER MOULTON-PATTERSON: I just
12 wanted to reaffirm that they do have the time? Because
13 there had been some questions brought up since 9/11 that
14 there might be a time problem. And I see someone is
15 here and I just, I think maybe in case there's other
16 questions at the Board meeting it might be wise to have
17 a representative --

18 MR. POSNER: We actually do have two
19 representatives from the CHP here today who are willing
20 to answer any questions you may have. So if you'd like
21 them to come up, I'm sure they'd be willing to do that.

22 COMMITTEE MEMBER MOULTON-PATTERSON: Thanks for
23 being here. I just wanted to, you know, get it on the
24 record because I felt that there could be some questions
25 because some questions had come up in our advisors'

1 meeting.

2 MR. GHIGLIERI: Sure. I'm Sergeant Bob
3 Ghiglieri, and this is Sergeant Mike Chaffee, we work
4 for the commercial vehicle section, and work in the
5 hazardous materials unit.

6 We have met with these folks and we are
7 committed to the program. This is a reimbursable
8 contract where the services will be provided on
9 overtime, so we will be able to do that.

10 COMMITTEE CHAIR JONES: The, there's always
11 like some local lore. In Nevada County it was real
12 clear that there were, the word is there were two huge
13 tire piles, we cleaned up one of 'em two years ago.

14 But at that time I was talking to a friend of
15 mine who was a narcotics officer who knew that there was
16 another one, and when our staff tried to find out what
17 ravine it was, was unsuccessful.

18 On those kinds of tips where there's, you know,
19 some reasonable data that, or they may be in a certain
20 region, would that be the type of exchange that would go
21 on where you guys would do some surveillance to see if,
22 in fact, we could find those piles?

23 Because those create big fire hazards just
24 because of their, if they exist, their locale.

25 MR. GHIGLIERI: Yes, definitely. We see this

1 as an opportunity for our environmental crimes
2 investigators to work in a surveillance situation as
3 well as an undercover situation, and not only to find
4 illegal waste tire dumpings, but also find that they're
5 also disposing of hazardous wastes at the same time.

6 So we see that as an excellent opportunity to
7 see use our environmental private investigators in that
8 situation.

9 COMMITTEE CHAIR JONES: Great. I was in Oregon
10 last week representing the Board in front of their
11 legislative task force and used a lot of your pictures
12 to show them tire piles that we had never seen before to
13 make them understand the severity of the problem in
14 California.

15 Mr. Eaton, any questions?

16 COMMITTEE MEMBER EATON: Not on this program.

17 COMMITTEE CHAIR JONES: Okay. All right.

18 MR. GHIGLIERI: Any other questions?

19 COMMITTEE CHAIR JONES: That ought to do it.

20 MR. GHIGLIERI: Look forward to working with
21 you.

22 COMMITTEE CHAIR JONES: Thank you. We
23 appreciate it.

24 All right. What is the will of the Board?

25 COMMITTEE MEMBER EATON: The will of the Board

1 is still to be determined, but the will of the committee
2 is to vote for it.

3 We can vote to move it along for consideration
4 to the full Board. I'm not sure if they have any
5 questions, I mean we can go on a three O and not
6 recommend for consent unless it's a question of -- I
7 don't have any problem doing either actually.

8 COMMITTEE MEMBER MOULTON-PATTERSON: I would
9 prefer, you know, certainly I would be recommending it
10 at this time, but I wouldn't want to see it be on
11 consent because it will just get pulled off.

12 COMMITTEE CHAIR JONES: That's fine. So we
13 have a three O -- do you want to go ahead and call the
14 roll?

15 MS. GILDART: There are two items so it will
16 have to be done twice.

17 COMMITTEE CHAIR JONES: Right. Correct.

18 MS. GILDART: The scope and then the award.

19 COMMITTEE CHAIR JONES: To the Highway Patrol?

20 COMMITTEE MEMBER MOULTON-PATTERSON: Right.

21 MS. GILDART: Just procedure.

22 COMMITTEE CHAIR JONES: So if you want to move
23 it by the number?

24 COMMITTEE MEMBER EATON: I'll just move that we
25 adopt Resolution 2002-267.

1 COMMITTEE CHAIR JONES: I'll second.

2 Call the roll, Jeannine.

3 COMMITTEE SECRETARY BAKULICH: Eaton?

4 COMMITTEE MEMBER EATON: Aye.

5 COMMITTEE SECRETARY BAKULICH: Moulton-

6 Patterson?

7 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

8 COMMITTEE SECRETARY BAKULICH: Jones?

9 COMMITTEE CHAIR JONES: Aye. Okay.

10 And then on the next item, 268, Mr. Eaton?

11 COMMITTEE MEMBER EATON: I would move that we

12 adopt Resolution 2002-268 regarding the consideration

13 and award of the contract to the California Highway

14 Patrol.

15 COMMITTEE MEMBER MOULTON-PATTERSON: Second.

16 COMMITTEE CHAIR JONES: Okay, we've got a

17 motion and a second.

18 Jeannine.

19 COMMITTEE SECRETARY BAKULICH: Eaton?

20 COMMITTEE MEMBER EATON: Aye.

21 COMMITTEE SECRETARY BAKULICH: Moulton-

22 Patterson?

23 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

24 COMMITTEE SECRETARY BAKULICH: Jones?

25 COMMITTEE CHAIR JONES: Aye.

1 Both are, is the Highway Patrol as the
2 contractor okay to go on consent? And then we'll put on
3 the dollar one?

4 COMMITTEE MEMBER MOULTON-PATTERSON: Yeah, just
5 as long as the dollar one --

6 COMMITTEE CHAIR JONES: Is that okay? All
7 right.

8 The dollar one is going forward with the three
9 0 recommendation to be heard; the California Highway
10 Patrol as the contractor is going to be put on consent,
11 three 0.

12 EXECUTIVE DIRECTOR LEARY: The scope of work
13 would be on consent and the award would be on the, for
14 Board vote?

15 COMMITTEE CHAIR JONES: Right.

16 EXECUTIVE DIRECTOR LEARY: Gotcha.

17 COMMITTEE CHAIR JONES: Thank you. Next item,
18 item D.

19 MS. GILDART: The next two items also deal with
20 the scope of work and an interagency agreement, this
21 time with the California State University of Sacramento,
22 and it's for the fifth tire recycling conference.

23 Once again, the funding level for this
24 conference was approved at the Board's adoption of the
25 five year plan in September of last year.

1 As a little background, three of the four
2 previous tire recycling conferences have been put on in
3 conjunction with the California State University of
4 Sacramento, and we feel that they have done a very good
5 job, and their expertise has been quite helpful.

6 There is one note. The funding level here is a
7 little bit different. In the first three conferences
8 that the Board put on we were able to keep the
9 registration fee quite low; and this was in an attempt
10 to reach out to local government attendees in the hope
11 that we could work through them, you know, both in the
12 local enforcement program and the local cleanup grant
13 programs.

14 This last one the attendance fee was quite a
15 bit higher, it was in the \$200 range, and we did notice
16 a drop-off in the local government attendees.

17 So one of the things we are hoping to do is to
18 be able to drop that attendance fee back to a level
19 where we think we can get local government
20 participation. And so you'll see some of the cost
21 differentials for this conference being laid out.

22 And Bob Fujii with the waste tire remediation
23 section is going to be presenting the item.

24 MR. FUJII: Good afternoon, members of the
25 committee, Bob Fujii, Special Waste Division.

1 Agenda items number D, or letter D and E are
2 requesting that the Board consider and approve the scope
3 of work and proposed contractor for, as Martha
4 mentioned, the interagency agreement for planning and
5 administering the Board's fifth annual tire management
6 and recycling conference.

7 The purpose of the conference is to promote
8 alternatives to landfill disposal of used and waste
9 tires, and to increase awareness of the Board's
10 enforcement policies; and then lastly, provide a forum
11 for interactive discussions and solutions to those waste
12 tire problems.

13 Our proposed conference is proposed to be a two
14 and a half day conference. We're tentatively trying to
15 hold it in Northern California in the fall of 2003. We
16 estimate that there would be about three hundred
17 registrants that would participate in the conference,
18 and that we'd be anticipating also approximately 25
19 speakers and 20 exhibitors.

20 The Target audience for this conference will be
21 waste tire generators or tire recycling partners, tire
22 recycling researchers, local government representatives,
23 Board and, and Board staff. And, of course, the Board.

24 The focus of the conference will be the Board's
25 continuing efforts to implement the SB 876 goals of

1 developing markets and new technologies and reducing
2 illegal disposal of waste tires, and remediating illegal
3 waste tire sites.

4 The scope of work for the contract, the scope
5 of work is focused on logistical and administrative
6 tasks that are going to be necessary to put this
7 conference on, and then publish the conference
8 proceedings when it's all over with.

9 And as Martha mentioned, CSUS was a contractor
10 that assisted us in the most recent conference that just
11 happened in March of this year, and we thought they did
12 a pretty good job.

13 So we are proposing that CSUS again, we be
14 partnered again with CSUS to do this next conference.

15 At this point for agenda item number twelve
16 staff is kind of recommending that you approve the
17 resolution, 2002-211 which approves the scope of work,
18 and then agenda item number thirteen which is Resolution
19 2002-212 which is to actually approve the contractor
20 award.

21 This concludes my presentation. Are there any
22 questions?

23 COMMITTEE CHAIR JONES: Madam Chair.

24 COMMITTEE MEMBER MOULTON-PATTERSON: Bob, I'd
25 like to, you know, see the registration be even lower if

1 that's possible, at least for local government.

2 Have you ever, you know, it would be great if
3 it could be a hundred dollars for everyone. Because if
4 you add all that up, you know, if you have three hundred
5 people, our figures were that it would be \$483 a person
6 which seems a bit high. And I would particularly like
7 to see local government be able to afford it. And their
8 budgets are really going to be cut in most cases this
9 year.

10 Do you have any thoughts on that?

11 MR. FUJII: Yeah. You know, we do have a
12 handout that maybe I can share with the Board that kind
13 of gives a breakdown of what the 2002 conference costs
14 are compared to what our proposed 2003 conference is
15 going to be. I did share that with the advisors
16 earlier, but just in case you didn't get a copy I'll
17 share it with you at this point.

18 But in response to the question, yeah, we'd be
19 happy to consider that. There is a different level of
20 fee depending on who you are. And, you know, I think
21 the private industry got charged a little higher fee,
22 and the local governments were charged a little lower
23 fee, and the government were charged a lower fee, and we
24 can certainly do that.

25 One thing to keep in mind is that the

1 conference costs are offset by two things.

2 That they are, there are things that are
3 donated or sponsorships that are provided by the various
4 partners in the tire industry;

5 And then the registration fee.

6 So the more we reduce one, the more increased
7 cost there is to the Board. So ultimately that's the
8 tradeoff.

9 So, but we can certainly do that, we can
10 certainly do that and we're certainly willing to do
11 that.

12 COMMITTEE CHAIR JONES: Mr. Eaton.

13 COMMITTEE MEMBER EATON: I couldn't agree more
14 with you, Madam Chair. And one of the issues that I
15 think that I've been hearing as I've been listening
16 during our Board meetings from some of my colleagues,
17 and although it's been more geographically directed, I
18 think it applies throughout, is that I think in going
19 through, I don't have a problem with the conference or
20 anything, but I noticed here that there isn't a section
21 on grant writing, and if you look later on, and that's
22 what I've been hearing from other Board members, and
23 correct me if I'm mistaken --

24 COMMITTEE CHAIR JONES: No, you're right.

25 COMMITTEE MEMBER EATON: -- is that on a later

1 agenda item here, we are falling short in being able to
2 distribute funds for local government waste tire
3 enforcement grants, that the demand does not exceed the
4 supply. And that perhaps a segment, as we do these, and
5 then one of the ways is you attend one of these grant
6 writings, you get a reduction or an incentive. I like
7 that idea of reducing the fee.

8 And then maybe we take some money from the
9 waste enforcement section which we haven't been able to
10 fully get out the door that would not take away from the
11 monies you've allocated here, so you're getting it from
12 a pot. But I think it's the whole idea, and I think at
13 least from what I'm hearing, more emphasis on trying to
14 get people to get the grants correct, to get them to
15 apply correctly, and that we do have these several pots
16 of money that we can draw on for them.

17 I mean that might be, I know that might be
18 helpful, I know that's probably a scope -- did Caltrans
19 show up at the last one by the way? I know they're not
20 a local government, but did they show up?

21 MS. GILDART: No, there wasn't anyone from
22 Caltrans, we had rubberized asphalt industry members.

23 COMMITTEE MEMBER EATON: Perhaps we could give
24 them a free admission to rubberized asphalt. You see,
25 but that's the kind of thing to evaluate to see who

1 attended, who didn't attend.

2 And I think the chair is correct, in looking at
3 ways of trying to increase people here, whether we
4 reduce the fees and if we do have the money in that
5 other pot.

6 I mean we can move these around, we could use
7 that under enforcement monies because it would be
8 showing them how they can go and obtain the grants.

9 MS. GILDART: Well specifically with the grant
10 writing, the administration division does have a
11 contract they're bringing forward for grant writing
12 workshops. Generally we could perhaps dovetail the two
13 and have a presentation at the conference by the same
14 entity, specifically though to tires. And that might be
15 a way of augmenting the overall pot.

16 COMMITTEE MEMBER EATON: That's all, Mr. Jones.

17 COMMITTEE CHAIR JONES: Thanks, Mr. Eaton. I
18 think following up on what both the members said, we
19 know that our LEA grants for enforcement have been
20 underserved, right?

21 MS. GILDART: Right.

22 COMMITTEE CHAIR JONES: We continually
23 allocated 500,000, \$750,000 to try to encourage, we made
24 a commitment that it was going to be a longstanding
25 program, so it wasn't going to be a start and stop.

1 It would seem to me that if we could in the
2 next couple of days look at the LEA enforcement program,
3 the grant, we already know, we all agree that there's a
4 deficiency in some of the grant writing or that they
5 need to understand more about how to do the grants.

6 We've got, we've got some areas in enforcement,
7 cleanups, where we ought to look at doing this for
8 almost nothing if LEA's or code enforcement people that
9 could eventually take over our local enforcement could
10 come and understand what the requirements are from the
11 Board, what the need is; talk about, you know, the
12 cooperative nature of how local government could be
13 working with us to help eliminate a problem.

14 And I don't think there'd be too many people on
15 this Board that would have a problem with almost giving
16 that attendance, I mean for a pretty low price to get
17 'em in the door, because they're going to ultimately be
18 the ones that are going to take this program to the next
19 level.

20 So we've got to figure out a way to get 'em
21 in. And I think we can almost do that on the
22 enforcement side through an LEA grant type addendum, you
23 know. I mean we should be able to think about it so
24 it's not a gift of funds, it's actually enticing those
25 people that are going to be doing that enforcement to

1 this so that we can get 'em hooked up.

2 And I think we could probably look at some of
3 that cost sharing, and if we have to put more money into
4 this contract to do it or look at it as an LEA grant
5 addendum, I think we ought to look at that, because
6 that's the only way we're going to take this to the next
7 level. We cannot continue to wait for them to come to
8 us, we've got to go out and get, go to them.

9 And I know you guys have tried, but this may be
10 the vehicle now that there's a little bit of money in
11 this pot that we use it to get us to the next step.

12 So I think that we ought to be able to look at
13 LEA grants, at least in an addendum to help defray some
14 of those expenses that they would have normally
15 incurred, cause that's what we need. I mean we can't
16 continue to offer \$500,000 and get \$274,000 worth of
17 whatever, it's not going to get the job done. So is
18 that --

19 COMMITTEE MEMBER MOULTON-PATTERSON: I think
20 that's a very good idea.

21 COMMITTEE CHAIR JONES: Does that make sense?
22 So I think that there's a little bit of direction here
23 that we, as much as we appreciate that you were able to
24 reduce it, we're telling you, you know, maybe we not
25 only want to reduce it more, but talk with legal and

1 admin, I see that their heads are kind of peering.

2 Because we can offer LEA grants, or we have
3 talked about it when we were talking about doing some
4 enforcement issues in some other areas.

5 In fact, our landfill operator training program
6 where our audience we were really nervous about, that
7 maybe we had some opportunities. We didn't have to go
8 there, but we at least had some initial discussions
9 about the possibilities.

10 So you may want to just be thinking along those
11 lines and talk with those appropriate staff, Mr. Leary,
12 maybe those heads, and figure out a way, we need to get
13 those local governments in here because they are the
14 only ones who are going to be our customers and be our
15 eyes and ears.

16 So what is the -- I think having Sacramento
17 State, I don't, you know, I think we are going to do
18 this but I think we ought to probably wait until the
19 Board meeting to see what they can do next week to fully
20 develop it. Does that make sense?

21 COMMITTEE MEMBER EATON: Yeah. I think one of
22 the things we can do is that the committee move to
23 recommend adoption of the following items for the Board
24 to reduce, as Chair Moulton-Patterson did, raise the
25 issue of the grant, and they may have some additional

1 assistance.

2 It would just really be recommending, and then
3 we'll have to see if it's possible within the time that
4 we take this up at the Board meeting next week to come
5 back with some of those examples for amending the
6 scope?

7 MS. GILDART: I think amending the scope to
8 include more grant writing activities at the conference
9 is quite simple, we could do that by the Board meeting.

10 If I'm understanding Mr. Jones' comment, then
11 that would be funding outside of the dollars set aside
12 for the actual conference. It would be monies maybe
13 from the enforcement grant program to encourage
14 attendance by local governments that, perhaps a targeted
15 grant to say if you are a local government enforcement
16 agent you can attend this conference, we pay for it out
17 of that pot of money? Is that what you --

18 COMMITTEE CHAIR JONES: No. What I'm saying
19 is, we have a grant, we're looking at a hundred thousand
20 dollars or whatever it is, you're looking at charging
21 local governments, right, to come to this conference?
22 This committee has said, no, you know, we'd like that
23 reduced.

24 We've talked about a couple of items to add to
25 your scope of work. They would be, the writing of

1 grants would be a session.

2 We need to include a session on local
3 enforcement, either through code enforcement operators
4 or LEA's. And if it's there, that's fine.

5 But the only way we're going to get those
6 people there is to offer some type of a reduced or zero
7 fee or something that can get them there.

8 And all I think we're asking is if that means
9 that we have to augment this contract through other
10 funds, because we are going to do a redistribution of
11 unallocated dollars; if that means that we need to set
12 aside another hundred thousand dollars or whatever to be
13 able to accomplish these things, we need, we'd like to
14 get that information at the Board meeting.

15 We'd like you to look at the idea of, since
16 this cannot, we cannot have a gift of public funds, but
17 if we are addressing LEA's, code enforcement people,
18 public works directors who may be using rubberized
19 asphalt, rec, park and rec people that may be using
20 molded rubber products or pour in place products, I
21 think we have to kind of separate 'em, one of 'em is on
22 the enforcement side and one of 'em is on the market
23 development side.

24 But if it takes an LEA grant, which could be an
25 addendum, could be a, I mean I'm going to let you guys

1 think about it and you can even talk to me. I'm
2 thinking about an LEA grant that may be no more than
3 \$500 that helps defray costs of getting people at that
4 conference, you know.

5 That, and I don't even know if it's legal, I
6 don't know if admin would be crazy, but I think if it's
7 the only way we're going to get people so that we can
8 increase our enforcement program, then I think the Board
9 wants to hear about that, I think, right?

10 And if there's a way to do it with funds that
11 we have that's legal, that can get 'em there, then I
12 think we need to have those options in front of us.

13 Does that summarize it pretty well? Is that
14 clear?

15 COMMITTEE MEMBER EATON: How do we pay for the
16 LEA's for their annual conference? We pay to subsidize
17 their participation, do we not?

18 MS. GILDART: That's a Permitting and
19 Enforcement Division program. I believe there are Board
20 dollars made available, but I don't know the mechanism.

21 COMMITTEE MEMBER EATON: But that may be at
22 least somewhere to begin the search that Mr. Jones is
23 saying. I was just looking at that, that may be a
24 jumping off point, there may be complications, but
25 surely I can't believe that we wouldn't have the ability

1 to, as you say, underwrite, subsidize, hand out on a per
2 capita basis, you know, one per county, whatever it
3 might be, in order for their participation to increase.

4 MS. WILLD-WAGNER: Mr. Jones, the item, agenda
5 item number 30 does include, that's the Administration
6 and Finance Division item where they're looking at a
7 scope of work for grant writing workshops, and it does
8 specify that they would like to provide those workshops
9 at existing Board events such as the tire conference and
10 the HHW conference.

11 So I don't know if they're planning on charging
12 for that attendance, but that would at least meet part
13 of your goal perhaps.

14 COMMITTEE CHAIR JONES: Well I think that's
15 sort of what Linda Moulton-Patterson and Danny were
16 saying is that this is an item that continually comes up
17 and it ought to be at this one.

18 And all I'm doing is tagging on and saying, you
19 know, all them poor people that do enforcement go nuts.
20 Remember when we went to the legislature, we had five
21 people doing enforcement. And I think we only had five
22 cities that had actually taken the grants to help us.

23 The whole premise of this fee in this bill was
24 to increase enforcement and focus it. And we're not
25 getting the response that we need under our normal

1 situation, this is a perfect opportunity to get some
2 people there and at least talk to 'em and bend their arm
3 and their ear to see if we can end up expanding.

4 So come hook or come crook, I don't care how we
5 do it, this is where we want to see it.

6 COMMITTEE MEMBER MOULTON-PATTERSON: Right.
7 You know, and the recycled trade show we don't charge
8 the attendees for that. And so I just feel that there's
9 got to be a way to do it. I think it's important, this
10 is education.

11 COMMITTEE CHAIR JONES: Absolutely. So you
12 will come back to us at the Board meeting this month.

13 I think Mr. Eaton had said that -- well, I
14 won't paraphrase, I'll say it myself.

15 We agree with what your concept is, we're
16 asking you to expand it, to look at the including of the
17 grant writing and these other activities, and would ask
18 you to come back to the full Board.

19 But I think our committee endorses, endorses
20 this, that recommendation? So I don't think that --
21 we're three 0 that we endorse it, but we need it
22 expanded.

23 MR. FUJII: Okay.

24 COMMITTEE CHAIR JONES: And then you have item
25 13E which is the actual Sac State, but might that change

1 if we expand this? Probably not, right?

2 MS. GILDART: I don't think that the contractor
3 would change. They're quite flexible and able to adapt
4 to these -- in the last round with the last conference,
5 you know, we didn't know we'd be partnering with ITRA
6 until the last second, and CSUS was able to adapt to
7 that, so I think they can handle it.

8 COMMITTEE CHAIR JONES: Well I have a problem.
9 I've asked, I had to pay, even though I gave two
10 speeches at this thing, I had to pay to go to this
11 conference.

12 And I, because we do things with e-mail, you
13 know, and do things the right way, we don't make paper,
14 I'm still waiting for a receipt because I can't get my
15 money back from our admin department on the money that I
16 spent to go to this conference until I get the receipt,
17 and I ain't getting a receipt! And this contractor
18 wants me to vote for 'em?

19 MR. FUJII: We'll look into that personally,
20 Mr. Jones.

21 COMMITTEE CHAIR JONES: This is going to have
22 to go but it can go with the short, with the short
23 version, I think.

24 Do I have a motion?

25 COMMITTEE MEMBER EATON: It's going to go to

1 the full Board, correct?

2 COMMITTEE CHAIR JONES: Right. This is one
3 they can do an abbreviated one.

4 COMMITTEE MEMBER EATON: Abbreviated.

5 COMMITTEE CHAIR JONES: Like they did before,
6 the fast one, not on the consent.

7 COMMITTEE MEMBER EATON: I don't remember.

8 COMMITTEE CHAIR JONES: Yeah, you were there.

9 COMMITTEE MEMBER EATON: No. But it doesn't
10 matter, just move it along.

11 COMMITTEE CHAIR JONES: So I have the award of
12 this actually to --

13 COMMITTEE MEMBER EATON: Yeah.

14 COMMITTEE CHAIR JONES: It will be presented to
15 the Board.

16 COMMITTEE MEMBER EATON: Right.

17 COMMITTEE CHAIR JONES: But if we vote three O
18 then it goes, it will be a separate item and --

19 COMMITTEE MEMBER EATON: I knew there was
20 discussion about it but I didn't know we had adopted
21 that rule. We voted for that?

22 COMMITTEE CHAIR JONES: Yeah, we did it the
23 last meeting.

24 COMMITTEE MEMBER EATON: I was gone.

25 COMMITTEE CHAIR JONES: No, you weren't, you

1 were there and you voted on it.

2 COMMITTEE MEMBER EATON: No, I had to go see

3 a --

4 COMMITTEE CHAIR JONES: Are you making the

5 motion?

6 COMMITTEE MEMBER EATON: I'm making the motion,

7 but I don't know what's abbreviated.

8 COMMITTEE CHAIR JONES: Okay. I'll explain it.

9 COMMITTEE MEMBER EATON: Save us.

10 COMMITTEE CHAIR JONES: I'm seconding the

11 motion.

12 COMMITTEE MEMBER EATON: Good.

13 COMMITTEE CHAIR JONES: It won't be, it will be

14 on, it won't be as part of consent, it will come up as a

15 quick agenda briefing.

16 COMMITTEE MEMBER EATON: Approval is what we're

17 doing, I gotcha.

18 COMMITTEE CHAIR JONES: Right. Could you

19 please call the roll, quickly?

20 COMMITTEE SECRETARY BAKULICH: Eaton?

21 COMMITTEE MEMBER EATON: Aye.

22 COMMITTEE SECRETARY BAKULICH: Moulton-

23 Patterson?

24 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

25 COMMITTEE SECRETARY BAKULICH: Jones?

1 COMMITTEE CHAIR JONES: Aye. Thank you.
2 Eaton's feeling better, I can tell.

3 MS. GILDART: The next agenda item is the
4 committee item F or Board item 14, consideration of
5 contractor for the waste tire stabilization and
6 abatement contract.

7 And Gail Grigsby with the waste tire
8 remediation section will be making the presentation.

9 MS. GRIGSBY: Good afternoon. In this agenda
10 item --

11 COMMITTEE CHAIR JONES: Is your mike on?

12 MS. GRIGSBY: It's on now, thanks.

13 In this agenda item staff is presenting the
14 proposed contractor for the waste tire stabilization and
15 abatement contract for fiscal years '01-'02, and
16 '02-'03.

17 It is through this contract that implements the
18 Board's expenditure of funds from the tire recycling
19 management fund for the cleanup of short-term illegal
20 waste tire sites throughout California.

21 The existing contract in place right now, it's
22 fiscal year '99-'00, was approved by the Board in May of
23 2000, and it will expire May 31st, 2002. So we have
24 less than a month left on that contract.

25 The Board previously awarded four contracts for

1 the remediation of the short-term illegal waste tire
2 sites, so this will be our fifth one.

3 Back in September of 2001, the Board adopted
4 Resolution 2001-347 including the five year plan for the
5 waste tire recycling management program, and that plan
6 included funding for '01-'02 and '02-'03, \$1.5 million
7 for each of those two fiscal years.

8 The contractor selection process that we
9 utilized was the RFQ process. And the RFQ process
10 requires SOQ's, statements of qualifications, to be
11 submitted to the Board by a deadline.

12 The SOQ's are then reviewed by our contract
13 staff to make sure they are complete and in, in fact,
14 responsive, and then proceed to a scoring process.

15 In this instance we only received one response
16 to our RFQ, and that response was received, was
17 submitted by Sukut Construction, Sukut is our current
18 contractor also.

19 The application was determined complete and
20 responsive. The application was then scored by a team
21 of scorers and did meet the, did meet the criteria to be
22 awarded the contract.

23 Staff is going to recommend the adoption of
24 Resolution 2002-210 approving Sukut Construction as the
25 contractor for the waste tire stabilization and

1 abatement contract for fiscal years '01-'02 and '02-'03.

2 COMMITTEE CHAIR JONES: Okay. Any questions?

3 COMMITTEE MEMBER EATON: So we're going to do
4 two years of funding, right?

5 MS. GRIGSBY: When the scope of work was
6 approved by the Board last September the scope of work
7 was intended to cover both fiscal years.

8 COMMITTEE MEMBER EATON: So will that give us
9 three million in remediation money, or is there some --
10 how much money with this will be in the pot?

11 MS. GRIGSBY: Okay. The five year plan
12 approved --

13 BOARD CHAIR JONES: No, I know about the five
14 year plan. What I'm trying to figure out is, I'm just
15 trying to connect a few dots here.

16 MS. GRIGSBY: Okay.

17 COMMITTEE MEMBER EATON: If you have, if you
18 get us to approve this, how much money is currently left
19 in the -- is there a present contract right now?

20 MS. GRIGSBY: There is a present contract right
21 now.

22 COMMITTEE MEMBER EATON: How much is left to be
23 spent in that contract?

24 MS. GRIGSBY: Approximately 500,000.

25 COMMITTEE MEMBER EATON: All right. So with

1 this it would be 3.5 million?

2 MS. GRIGSBY: No, that 500,000 actually goes
3 away on May 31st, and that will revert back to the fund.
4 This --

5 COMMITTEE MEMBER EATON: So there's not any
6 cleanup projects available for that money?

7 MS. GILDART: Not in the remaining months of
8 the fiscal year. And those dollars were tied to the
9 fiscal year and they were, they were awarded and
10 disappear, if you will, from the Board's authority at
11 the end.

12 COMMITTEE MEMBER EATON: Okay. So --

13 MS. GILDART: The money is available for three
14 years.

15 COMMITTEE MEMBER EATON: What I'm trying to get
16 at, maybe we'll do the larger picture and then we'll
17 break it down.

18 We spent some money with the CHP today to
19 identify sites. How much, so we know how many sites
20 there are out there, when are we going to get a priority
21 listing to get the sites cleaned up? And is this money
22 going to go for the sites that they have identified
23 already? Because there are sites to be identified,
24 right? They've already identified some sites --

25 MS. GILDART: There are several steps to the

1 process.

2 COMMITTEE MEMBER EATON: What we should do is
3 not just spend the money to look, I want to see stuff
4 done.

5 And if we have \$500,000 you're telling me left
6 on a contract and we haven't, that we don't, and we're
7 not going to have contractual obligations to clean up
8 sites, I don't understand why if we have the money we
9 haven't gotten the sites contracted to clean up.
10 Especially since this is a contractor, so we just go
11 tell 'em what site we want. No, we do an individual
12 contract per site?

13 MS. GILDART: No, we can't do that
14 unfortunately.

15 COMMITTEE MEMBER EATON: So we do a contract
16 per site?

17 MS. GILDART: No.

18 COMMITTEE MEMBER EATON: Then what do we do?

19 MS. GILDART: What we have to do is get the
20 legal authority to have site access. We can't just walk
21 on the private property and take someone's private pile
22 of tires, no matter how illegal. There is a legal
23 process we have to go through, including a hearing with
24 an administrative law judge, before we are awarded that
25 authority.

1 So there are two things that have to happen.
2 We have to have the dollars and the contractor available
3 to go onto the sites for which we have access; and we
4 have to go through that legal process to get the access.

5 So those sites for which there has been legal
6 access have been cleaned up. Between now and the end of
7 this fiscal year, we have no sites ready for the Board's
8 contractors to go onto and remove the tires.

9 The monies in that account, because they are
10 from a previous fiscal year, will revert to the tire
11 management fund and may be available for future budget
12 appropriations.

13 What we are trying to do is, to not lose
14 service, is to get this contract for new fiscal year
15 dollars in place as soon as possible so that when we do
16 accomplish the legal process we will be able to go onto
17 sites.

18 COMMITTEE MEMBER EATON: Understood. The
19 question then becomes, what is our backlog of sites that
20 we don't have legal access to?

21 I don't have a problem with the contractor, and
22 I understand what you're saying. What I'm trying to do
23 is get where the hangup is. And I know we fight very
24 hard to get onto property rights, and I'm not being
25 critical of that, but if we need legal authority, we

1 need legal power and we ain't getting it, then it's got
2 to go to legal.

3 So where we at backlog? How many cases we got
4 pending for site access?

5 MR. FUJII: Right now on the existing list, I
6 do not have the exact number, but there's approximately
7 20 to 24 sites that are on our list to be cleaned of the
8 ones that are of the variety that we're talking about
9 which we cannot receive, we have not gained site access.

10 As Martha described, we have gone through the
11 list of all the ones that were, had granted us --

12 COMMITTEE MEMBER EATON: We have the little
13 hanging fruit.

14 MR. FUJII: Exactly. So we're at that point
15 now.

16 COMMITTEE MEMBER EATON: Okay.

17 MR. FUJII: And so of those we are working with
18 legal and, you know, legal through the Attorney
19 General's office to secure that site access.

20 COMMITTEE MEMBER EATON: And that would be
21 through this three million right here that hopefully
22 once we gain the access --

23 MR. FUJII: Exactly, for the new ones, correct.

24 COMMITTEE CHAIR JONES: Can I ask a question?
25 Because I remember a few years ago we used to get, I

1 think we used to get briefings of the legal condition of
2 a lot of these types of things, it was two or three
3 years ago I think where we'd get updated. And that I
4 think can, I don't know if it's happened for a while,
5 maybe it has, but --

6 LEGAL COUNSEL TOBIAS: We have a report that
7 goes to the Board members twice a year, in July and in
8 January, that basically details the previous six
9 months. We can certainly update it for --

10 COMMITTEE CHAIR JONES: This used to be one
11 that was in closed session because it was potential
12 litigation that we used to get when we'd identify sites,
13 and we'd look at it, and I know Gail used to be in that
14 meeting. And those I don't think we've had for a little
15 while. And the only reason I ask is that we can
16 resurrect those.

17 Do we have the opportunity, if there's \$500,000
18 left at the end of this contract that because of legal
19 constraints, which is nobody's fault, I mean it's a slow
20 system, we're not going to be allocating; wouldn't we
21 have had the opportunity to reallocate those dollars?
22 Or no, because they had been assigned to the Sukut
23 contract?

24 MS. GILDART: It's a matter of the age of the
25 dollars, if you will. When the Assembly and Governor,

1 legislature and Governor give us the authority to use
2 the dollars, we have one year in which we can encumber
3 the funds, and then we have another two years in which
4 we can disburse the funds, and that's what they mean
5 when they say a three years loan.

6 COMMITTEE CHAIR JONES: All right.

7 MS. GILDART: And unless you have a
8 continuously appropriated fund, that's the timeline
9 you're working on.

10 COMMITTEE CHAIR JONES: Gotcha.

11 COMMITTEE MEMBER EATON: I'm ready to move
12 if --

13 COMMITTEE CHAIR JONES: So you move Resolution
14 2002-210, is that the money? Yeah?

15 COMMITTEE MEMBER MOULTON-PATTERSON: Second.

16 COMMITTEE MEMBER EATON: Jones moves.

17 COMMITTEE CHAIR JONES: We have a motion by
18 Eaton and a second by Chairwoman Moulton-Patterson on
19 2002-210.

20 Go ahead and call the roll.

21 COMMITTEE SECRETARY BAKULICH: Eaton?

22 COMMITTEE MEMBER EATON: Aye.

23 COMMITTEE SECRETARY BAKULICH: Moulton-
24 Patterson?

25 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

1 COMMITTEE SECRETARY BAKULICH: Jones?

2 COMMITTEE CHAIR JONES: Aye. All right.

3 This, Mr. Leary, is going to go to the quick
4 presentation to the Board but with a three 0 vote.
5 Thank you.

6 All right. Now we're getting back to tire
7 enforcement. See this stuff all ties together, I love
8 it.

9 MS. GILDART: Committee item G, which is Board
10 agenda item 15, is consideration of grant awards for the
11 waste tire enforcement grant program for the fiscal year
12 2001-2002.

13 This will be presented by Bob Fujii.

14 MR. FUJII: Good afternoon again, Bob Fujii,
15 Special Waste Division.

16 The goal of the waste tire enforcement grant
17 program is by funding the local governments to, on a
18 competitive basis to support their local waste tire
19 enforcement activities.

20 This is actually the second cycle of awards for
21 this grant program. As you recall, we made an award
22 back in October of this year also awarding six grants
23 for \$678,000 and some change.

24 The Board has also put scoring criteria and a
25 continuous filing period for this grant program through

1 February of 2001.

2 The five year plan allocation for this
3 particular program has been \$2 million for fiscal years
4 '01-'02.

5 A little bit about the application review
6 process for this last grant cycle. We sent out a NOFA
7 on April 17th to over a thousand interested parties, and
8 for this particular grant cycle we did receive only two
9 applications; one was from Imperial County and the other
10 from the city of San Bernardino.

11 The grant from Imperial County is proposed at
12 \$63,610, and the city of San Bernardino for \$22,392 for
13 a total \$86,002 in funding.

14 We had a review panel evaluate the
15 applications, and all the applications were determined
16 to meet the minimum score and qualify for grant funding.

17 Just a little bit about the two projects that
18 are before you.

19 Imperial County, the LEA will perform
20 inspections of approximately 200 waste tire facilities.
21 They will be tire dealers, auto dismantlers, for proper
22 storage and manifesting of the waste tires using
23 registered waste tire haulers.

24 They will take enforcement actions against any
25 illegal disposal tire sites that are identified, and

1 hopefully provide for cleanup through our waste tire
2 cleanup grant program.

3 The city of San Bernardino, the LEA is
4 proposing to inspect 85 waste tire facilities, but
5 again, that will be waste tire dealers, auto
6 dismantlers.

7 And then they'll work with Board enforcement
8 staff, local code enforcement officer and fire
9 department personnel to then prevent future illegal
10 disposal, and then clean up piles in the community. And
11 they didn't specify how they were going to do that.

12 But staff is recommending approval of the
13 resolution adopting both these sites, 2002-221.

14 That concludes my presentation. Any questions?

15 COMMITTEE CHAIR JONES: Any questions?

16 BOARD MEMBER MEDINA: Just, you know, the usual
17 comment. It's disappointing that, to send out a
18 thousand and get two.

19 MR. FUJII: You know, and we've done, we did do
20 some outreach between the last grant cycle that the
21 Board did approve back in October and this point, and we
22 were actually hoping for a little, a little, a few more
23 than we actually got this time.

24 We attended the LEA conference and some other,
25 and met with some targeted LEA groups in hopes that we

1 would get a few more, and they just didn't materialize.

2 And I think for this next cycle Mr. Jones had
3 some great ideas, Mr. Eaton had some great ideas on how
4 to make this program a little better.

5 I think also we had thought internally about
6 bringing, you know, an item forward for the, you know,
7 for the new criteria, a new program; maybe a
8 non-competitive type program where it would make it a
9 little easier for the local enforcement agencies, code
10 enforcement agencies to come forward and receive these
11 monies.

12 We hear back from them that, you know, the
13 grant applications are a little cumbersome for them to
14 fill out as they don't of the staff to complete them,
15 and those kinds of issues.

16 So hopefully we can maybe work around some of
17 those and get a little bit of participation from some of
18 these jurisdictions.

19 COMMITTEE CHAIR JONES: Okay.

20 COMMITTEE MEMBER MOULTON-PATTERSON: Thanks.

21 MR. FUJII: Sure.

22 COMMITTEE CHAIR JONES: So we have --

23 COMMITTEE MEMBER EATON: Want me to move?

24 COMMITTEE CHAIR JONES: Sure.

25 COMMITTEE MEMBER EATON: I move that we adopt

1 Resolution 2002-221 regarding consideration of grant
2 awards for the waste tire enforcement grant program.

3 COMMITTEE MEMBER MOULTON-PATTERSON: Second.

4 COMMITTEE CHAIR JONES: We have a motion and a
5 second.

6 Would you call the roll?

7 COMMITTEE SECRETARY BAKULICH: Eaton?

8 COMMITTEE MEMBER EATON: Aye.

9 COMMITTEE SECRETARY BAKULICH: Moulton-
10 Patterson?

11 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

12 COMMITTEE SECRETARY BAKULICH: Jones?

13 COMMITTEE CHAIR JONES: Aye.

14 COMMITTEE MEMBER EATON: You know, Mr. Jones,
15 one of the things we should think about is that if we do
16 have such, after all the effort we do in putting in the
17 grant programs, if the response from the LEA's is, and
18 their association, maybe they could come and talk to the
19 committee; but I would highly recommend that we as a
20 Board take back the enforcement divisions and actually
21 use the \$2 million that we allocate each year, and go
22 out and hire the personnel and go out and do the
23 enforcement ourselves. That might be the best way to do
24 it.

25 The whole idea was they complained there was no

1 local ability to do it, we got 'em the money, now
2 there's no response. It may just be a startup, but we
3 should think about an evaluation the next time we have
4 to do the five year plan, taking it back under our wing.
5 That would be nearly \$6 million in personnel dollars for
6 salaries that we could do it. I mean, I'm sure that
7 that would be the situation if it's a workload issue.

8 COMMITTEE MEMBER MOULTON-PATTERSON: Would we
9 have to get exceptions to hire?

10 COMMITTEE CHAIR JONES: Yeah. It might take us
11 a little -- we may have to look at that.

12 COMMITTEE MEMBER EATON: Absolutely. But by
13 the time the five year plan is over, hopefully the
14 economy will be better.

15 COMMITTEE CHAIR JONES: Right. Right. No, you
16 have a point.

17 COMMITTEE MEMBER MOULTON-PATTERSON: Yeah.

18 COMMITTEE CHAIR JONES: I mean when we were in
19 front of those committees, I mean we were getting beat
20 up and we were saying, we're going to get the locals to
21 do this, we can't, there's no way we can do it from
22 Sacramento or L.A., so we have to do something to get
23 'em there. So --

24 EXECUTIVE DIRECTOR LEARY: Is it too early to
25 conclude that we've exhausted our efforts at this

1 point? You want to give it another year?

2 COMMITTEE MEMBER EATON: Yeah, that was the
3 whole point. I'm saying we should start thinking about
4 it and mentioning it to the LEA's. You know, it may be
5 too much for them.

6 MS. GILDART: Just as a timeline. We will be
7 opening up the issue of the five year plan revision
8 probably in the fall, starting the discussions. And if
9 the Board wishes to hold workshops to bring in the
10 stakeholders, if we want to have those revisions by
11 spring to fold into the following fiscal year's budget.
12 So it's probably a good time to start thinking about it.

13 We would conduct the same kind of program in
14 this coming fiscal year starting in July, but be
15 prepared perhaps, you know, to at least entertain Mr.
16 Eaton's suggestion.

17 COMMITTEE CHAIR JONES: Well I think his
18 suggestion makes sense if we don't get more people to do
19 it. But I think one thing we ought to take as an
20 opportunity here and we've got, I know that your staff
21 is stretched very, very tight right now; but if LEA's, I
22 mean, I think you need to talk to the training people
23 and find out if, in fact, LEA's are saying that the
24 grant writing process is too cumbersome, then we maybe
25 need to look at, you know, they need to have a plan of

1 attack if they are going to enforce this, right, you've
2 got to have a plan. And, you know, we've got, there's
3 got to be some kind of measured results.

4 We may have to totally revamp the way we look
5 at this program from a grant standpoint to identify what
6 it is we really want. We want people to enforce the
7 tire laws, right?

8 So what do they need to do that? They need a
9 plan of how they're going to do it locally and, you
10 know, they need to be able to assign personnel and some
11 assets, you know, but what else do they need, you know.

12 And maybe we need to look at, back this up and
13 look at that, and then see what our grant requirements
14 are going to need to be, and then maybe that needs to
15 come back to the Board as a totally revised program that
16 looks at a very different set of criteria for us to
17 award that money.

18 Because clearly, we've given out 700 and
19 something thousand with, or we will have with these two,
20 but we had clearly thought that we would be giving out
21 over two million. So it might be a way to do it, just
22 to back into it that way from an operations standpoint,
23 you know.

24 So in looking, and if we don't do any good
25 there, Mr. Eaton is right, we're going to have to add a

1 bunch of people to do it.

2 COMMITTEE MEMBER EATON: And on parallel
3 courses. I'm saying do everything you can to get them
4 the money, but we should also have another card in our
5 hand. And I'm saying after we've done everything we
6 possibly can, our alternatives are the following or what
7 have you.

8 I notice that we haven't applied for a grant
9 ourselves.

10 EXECUTIVE DIRECTOR LEARY: There's an idea.

11 COMMITTEE MEMBER EATON: Well we are the LEA in
12 a few counties.

13 COMMITTEE CHAIR JONES: That's true. That's
14 true.

15 COMMITTEE MEMBER EATON: That's one way around
16 the exemptions.

17 EXECUTIVE DIRECTOR LEARY: There you go.

18 COMMITTEE CHAIR JONES: Okay. Item H.

19 MS. GILDART: Okay. Item H is the Board item
20 16, and it's consideration of the grant awards for the
21 energy recovery from tires grant program for fiscal year
22 2001-2002 and 2002-2003.

23 Just as a note, this was a program that we've
24 put together with a very, very short timeframe, and we
25 are not anticipating all the details to be available to

1 the Board until the actual Board meeting.

2 Nate Gauff with the waste tire remediation
3 section is going to be presenting the information we
4 have to date.

5 MR. GAUFF: Good afternoon. The Board approved
6 the criteria and scoring process for this program back
7 at its March meeting.

8 To date, and I say to date because, as Martha
9 said, we are still receiving applications because of the
10 postmarked nature of the situation.

11 To date we've received two applications, one
12 from Mt. Poso Co-Generation and the other from Cal
13 Portland Cement. They are requesting a total of
14 \$444,576.

15 Staff has reviewed the two applications, they
16 both are qualified as passing, and right now staff is
17 negotiating, or negotiating amongst itself what the
18 funding recommendations will be. I think there are
19 going to be some budget cuts from the applications in
20 the requested amounts.

21 So I can't give you an exact dollar figure on
22 what the funding recommendations are right now. What
23 I've been told at this point it's going to be somewhere
24 between 386,000 and \$411,000. That's a high and a low.

25 I have contacted all the entities that we sent

1 applications to and I've gotten responses back from all
2 but one. So we don't anticipate more than one more
3 application coming in at this point.

4 Obviously we don't know who received the
5 application or downloaded it from our website, but from
6 the people that were sent applications directly, only
7 one has not responded, and I don't think the application
8 is going to come in, but it looks like, if anything,
9 we'll get one more application.

10 Questions?

11 COMMITTEE CHAIR JONES: Okay. I guess we'll
12 wait until the Board meeting to hear what the outcomes
13 are.

14 MR. GAUFF: Okay.

15 MS. GILDART: Okay. That brings us to the big
16 item on today's agenda for the tire program, and that is
17 committee item I, or Board agenda item 17, which is the
18 consideration of concepts to be funded from the
19 reallocation of unused fiscal year 2001-2002 waste tire
20 management program funds.

21 As Nate's indicated, the two grants that we've
22 received to date with the appropriate postmark date of
23 April 30th is around \$400,000 of the 500,000 for this
24 fiscal year. So there is a possible chunk of money that
25 may be added to this reallocation table. We won't know

1 that for certain until a little closer to the Board
2 meeting. So I just wanted members to keep that in mind,
3 that there's a possible eighty to a hundred thousand
4 dollar addition here.

5 For the last ten years of the Board's tire
6 program we have done this annually where at the end of
7 the fiscal year we come back to the Board showing what
8 dollars have been left in various funds; sometimes
9 because a contract comes in under the, you know, at a
10 lower bid under the set amount. Sometimes because a
11 grant program has not been fully subscribed and there
12 are dollars left.

13 This year, due to the complexity of the program
14 that had been adopted and laid out in the five year
15 plan, and some of the difficulties you may have heard of
16 with the hiring freeze and the low staff numbers, there
17 were also a couple of programs that we were just unable
18 to undertake.

19 So we've got a couple of tables here we're
20 going to try and go through and describe where some of
21 the monies have come from. And then there will be a
22 description of possible uses for those dollars, and then
23 the request for the committee's recommendation on what
24 levels to fund those uses.

25 We are handing out an updated table which is

1 going to have to be updated yet again for the Board
2 meeting. Because of some of these timing issues where
3 we've run everything out to the wire, there will be
4 changes to these dollar figures.

5 In fact, with the Board's, the committee's
6 action on the California District Attorney's Association
7 scope of work, that amount of money is now on the
8 Board's, on the table for reallocation.

9 Okay. If you'll turn to page 17-3 there's a
10 listing of the projects from which the dollars were
11 available. And I was just real quickly going to run
12 through those so you know where they came from, and then
13 we can jump to the table of proposed uses.

14 Because the local government waste tire
15 enforcement grant program is not fully subscribed this
16 year, as Steve had said, there's a little over 700,000
17 given out, there's \$1,235,196 available there.

18 The local government cleanup matching grants
19 were at \$536,391.

20 The local government amnesty public education
21 grant program had 169,183 unexpended.

22 A project that we did not take on, the update
23 report on pyrolysis, gasification, and liquifaction at
24 50,000.

25 The devulcanization technology report at

1 50,000.

2 In the civil engineering uses of tire research
3 component there was \$176,238 remaining.

4 The bid on the contract for the use of fiber
5 and steel from crumb rubber study was \$433 under the set
6 amount.

7 The civil engineering uses market development
8 component was a program we were unable to undertake, and
9 that has 500,000 available.

10 This playground cover had \$234,352 available.

11 The track and other recreational services grant
12 program, that's a little unusual. We're indicating
13 45,120 available, that was all that was left in funding
14 a certain number of passing grants. We are recommending
15 adding additional monies through the reallocation
16 process to fund all passing grants. So this \$45,000
17 rolls into that.

18 The product commercialization grants need
19 another 70,600 -- have 70,611 available, and it's the
20 same issue, the last passing grant we couldn't fully
21 fund so we're making those funds available with the idea
22 that the full amount could be pulled out of the pot.

23 Signs for Caltrans rubberized asphalt concrete
24 projects at \$130,000.

25 And then the tire rebate study contract came in

1 under bid by \$32,000, that's available.

2 Now, out of those monies, the first thing we
3 had to do was to make whole the allocation to the two
4 contracts that the Board entered into with the
5 Department of Toxic Substances Control and the Regional
6 Water Quality Control Board for 600,000 each.

7 So when you subtract that amount from this pot
8 it leaves us with \$2,029,520 -- and, I'm sorry,
9 \$2,029,524, and that's the amount we have to play around
10 with today.

11 So if Tom could put the chart up on the board
12 we can show you where there are some possible uses for
13 this money.

14 COMMITTEE CHAIR JONES: Could you hold on one
15 second?

16 Madam Chair.

17 COMMITTEE MEMBER MOULTON-PATTERSON: On page
18 17-5, the Board had allocated 50,000 for an update
19 report on pyrolysis, gasification, liquefaction; why
20 wasn't that done?

21 MS. GILDART: No staff to assign it to. We
22 would have had to have not do something else that we did
23 do. Bottom line.

24 If you remember the budget, the BCP process,
25 the budget change proposals, the Board had put forward a

1 request for 19 additional positions for the tire
2 program, we had nine approved. We had only hired two of
3 those nine when the hiring freeze came on last summer,
4 and we have only in the last few weeks been able to
5 bring on, we got the hiring freeze exemption request
6 approved about four weeks ago, five weeks ago, and we've
7 just started hiring staff.

8 What we were faced with was a five-fold
9 increase in funding for a program with no additional
10 staff.

11 COMMITTEE MEMBER MOULTON-PATTERSON: Thank you.

12 MS. GILDART: Are there any other questions on
13 some of the projects that didn't?

14 COMMITTEE MEMBER EATON: Yeah, I just have a
15 couple questions. I assume the same is for the
16 devulcanization?

17 MS. GILDART: (Nodded head.)

18 COMMITTEE MEMBER EATON: Yeah, okay. The other
19 issue as I look at the total amount of money of about
20 1.5 million or half the money was allocated for local
21 government and has come back to us.

22 MS. GILDART: True.

23 COMMITTEE MEMBER EATON: Okay. So we obviously
24 know that's a problem area for the future.

25 What was the civil engineering issue? Because

1 that becomes a market issue where we spent a lot of
2 money over time. Was the problem there, and I'm asking
3 the question just to find out what are the underlying
4 problems? That obviously --

5 MS. GILDART: Two things. We had originally
6 envisioned that the 500,000 for the civil engineering
7 and the market development program would be another
8 grant program. The staff who would have been working on
9 that instead were caught up in the second reissuance of
10 the commercialization, the waste tire product
11 commercialization grant. We could not conduct two grant
12 programs with the same staff at the same time.

13 We thought we had something in our hip pocket
14 on that one. We were aware of two communities who had
15 expressed interest in using shredded tires as fill for a
16 light rail project, and when we sat down with them just
17 a, you know, six, seven weeks ago to see if there was
18 some way of striking, you know, like a targeted grant to
19 those two communities, their timeline was past the point
20 where they could accept that funding. So we got caught
21 up in just a time crunch, a staffing crunch.

22 COMMITTEE CHAIR JONES: Okay. Now it's my
23 understanding that we've been requested to discuss these
24 items, put forward a recommendation to the budget
25 committee, and then the budget committee is going to --

1 MS. GILDART: If you look at the chart we're
2 showing here, there are three blank columns. We're
3 trying to do something somewhat similar to the admin's
4 work with the contract concepts of last month where we
5 are going to take the committee's recommendation and
6 enter it into the table, and then go to the admin
7 committee and present, you know, the recommendation that
8 came from the markets committee, and see what their
9 recommendations are, and then all that will go to the
10 Board.

11 We do have to fold into this the fact that that
12 \$318,000 that we've requested for CDAA is now zero, so
13 that will make a change.

14 COMMITTEE CHAIR JONES: The proposal on the
15 grant writing workshop is \$25,000 for one workshop?

16 MS. GILDART: No, that's for the contract. The
17 admin division is putting together a contract that will
18 present or have several workshops presented around the
19 state, and they're getting funds from the oil fund and
20 IWMA, I believe.

21 If you want I can go down now the funding
22 possibilities if there are no more questions on where
23 the funds came from?

24 COMMITTEE MEMBER EATON: Have you any programs
25 that have been undersubscribed or oversubscribed?

1 MS. GILDART: That was the track. If you
2 remember we came to the Board with the track and
3 recreational surfacing grant, and we had something like
4 \$1.9 million in passing grant applications, and that had
5 only had a million dollars allocated to it. So we had
6 recommended on the table here to fully fund those
7 passing grants.

8 So as you see, the first entry we had on this
9 table of possible uses was the CDAA interagency
10 agreement or contract -- I guess it was a grant, sorry.
11 CDAA grant.

12 COMMITTEE MEMBER EATON: You said that a
13 thousand times, I got the point.

14 MS. GILDART: It's off.

15 COMMITTEE MEMBER EATON: Right.

16 MS. GILDART: The RMDZ loan program, we have,
17 the Board had acted on some loans made to tire recycling
18 facilities, and the total dollars requested was more
19 than the \$2 million set aside in the five year plan. So
20 the \$318,000 would make whole the dollars to be given to
21 those loans.

22 The track and other recreational surfaces, as I
23 said, when that --

24 COMMITTEE CHAIR JONES: Hold on a half a
25 second, okay? The 318,000 would be the two loans or

1 three loans that we did months ago?

2 MS. GILDART: I think it was three.

3 COMMITTEE CHAIR JONES: Two loans, three
4 loans?

5 MS. GILDART: Three.

6 COMMITTEE CHAIR JONES: All right. And the
7 318,000 means there's no split funding of any of those
8 loans, it's all tire money?

9 MS. GILDART: Correct. It could be RMDZ funds
10 or it could be tire funds. And since we have tire funds
11 available the Board had expressed an interest in --

12 COMMITTEE CHAIR JONES: Right. Does, I mean as
13 we're working through that thing I think it makes sense
14 to fund those tire loans with the tire dollars,
15 especially if there's, especially if there's a failure
16 of that loan to go after it from two different funding
17 sources. We did that once before and it was
18 problematic. But I would think that we ought to see to
19 the funding of that 318,000 through this.

20 COMMITTEE MEMBER EATON: Yeah. I'm just trying
21 to figure out, and I don't have any problem with doing
22 that, but the two reports, the one that Madam Chair
23 brought up on the devulcanization, was there any
24 particular Board member that is not part of this
25 committee that had asked for those studies?

1 COMMITTEE CHAIR JONES: It probably was me, I
2 mean --

3 COMMITTEE MEMBER EATON: And the reason why I'm
4 asking is because we do so many things with universities
5 these days that I find it hard to believe that we didn't
6 have the staff, that we couldn't have gone outside to a
7 university.

8 And if I were a Board member and I sit on this
9 committee and it was something that I had looked into or
10 wanted to have done, then before I make a recommendation
11 to take his or her money away, I sure would like to see
12 if there is an alternative or if that met the -- but
13 what I'm hearing now is that we can make this
14 recommendation, and it's going to go back to another
15 committee, and then to another committee, and then it's
16 going to come back.

17 MS. GILDART: To the Board.

18 COMMITTEE MEMBER EATON: To the Board. And
19 with that ping pong or side bumper shot, how long is
20 that going to take?

21 COMMITTEE CHAIR JONES: It's supposed to come
22 back to the Board this month.

23 COMMITTEE MEMBER EATON: So in other words,
24 we're going to take it up in the committee tomorrow?

25 MS. GILDART: The admin committee on Wednesday

1 afternoon, and then the Board meeting the following
2 week.

3 COMMITTEE MEMBER EATON: Yeah. I just don't
4 remember the particulars of the contract but, you know,
5 it may have been, you know, one of our fellow Board
6 members, and I don't want to be really taking away their
7 dollars and cents. I mean without knowing if, do you
8 remember if any of the Board members, you know, I don't
9 want to classify it, but the pyrolysis and gasification
10 and liquefaction, there was a reason for that.

11 CHAIRPERSON: Those are all conversion, I think
12 we talked about that. I think the devulcanization was
13 Senator Roberti.

14 COMMITTEE MEMBER EATON: I just raised the
15 issue because I don't want to do that.

16 MS. GILDART: If there is an interest in the
17 Board's part in pursuing those subjects, we would have
18 to do it from next fiscal year's funding because there
19 wouldn't be enough time for us to put a contract out for
20 bid, so that's why those dollars are showing as --

21 COMMITTEE MEMBER EATON: But if you went
22 interagency with the university that's not the case, is
23 it?

24 COMMITTEE CHAIR JONES: Is the expertise
25 available to use the university to look at this?

1 MS. GILDART: Well, we probably would have to
2 draw up something else unless there were someone who
3 could be made available to assist us. Our staff
4 workload is just full.

5 COMMITTEE MEMBER EATON: But you're going to
6 have to encumber the other funds as well.

7 MS. GILDART: Those are existing vehicles. We
8 would be narrowly filling out the dollars amount. For
9 instance with the track and recreational services, there
10 are grant agreements that have to be written, but they
11 have been prepared in anticipation of this amount.

12 The product commercialization is the same
13 thing, park playground.

14 We chose, what we were recommending were
15 projects that would be easy to put the money into and
16 not entail a host of new scopes of work, approvals by
17 the Board, awards, etcetera.

18 COMMITTEE MEMBER EATON: All right. Let's go
19 back to my original question. The issue is if you do
20 interagency you don't have, you do have time.

21 MS. GILDART: Okay.

22 COMMITTEE MEMBER EATON: Whether or not we
23 decide to do that --

24 MS. GILDART: It depends on if the Board were
25 willing to waive the scope of work and approval process

1 and merely directed the executive officer to enter into
2 such an agreement, we could probably do it by the middle
3 of June.

4 But if we were to come back to the Board in
5 June with an item specifically on a scope of work for a
6 new contract, there's not time between the Board June
7 meeting and July 1st to do it, as I understand it.

8 Now if somebody is here from admin and can tell
9 me of a different way to get that done, we would
10 consider it.

11 I see TJ in the background.

12 MS. JORDAN: The only way to do it would be to
13 bring forward the scope of work.

14 COMMITTEE MEMBER EATON: This is tire money, is
15 it not?

16 MS. JORDAN: Pardon me?

17 COMMITTEE MEMBER EATON: This is tire money?

18 MS. JORDAN: This is tire money.

19 COMMITTEE MEMBER EATON: So why, what makes --
20 and I don't have any vested interest in these two, but I
21 think, and since none of my Board members are here, what
22 makes this money, same fiscal year money as the Sukut
23 contract, the two previous items, right? I mean we
24 encumbered that money, and this money is encumbered?

25 MS. JORDAN: This money is not encumbered, it

1 would have to encumbered by June 30th.

2 COMMITTEE MEMBER EATON: And your definition of
3 encumbered is not allocated by the Board but that we
4 actually have an agreement?

5 MS. JORDAN: Yes.

6 COMMITTEE MEMBER EATON: Okay. So what about
7 the 500,000 that wasn't used, is that part of a contract
8 already?

9 MS. JORDAN: From the previous Sukut contract?

10 COMMITTEE MEMBER EATON: Right.

11 MS. JORDAN: That's from a previous fiscal
12 year. Once it's encumbered then you have two years to
13 spend.

14 COMMITTEE MEMBER EATON: Right. I'm just
15 trying to figure out --

16 MS. JORDAN: Correct.

17 COMMITTEE MEMBER EATON: -- where the money
18 goes.

19 MS. JORDAN: And then after that fiscal year,
20 if that contract isn't fulfilled or the monies are still
21 available, that goes back into the fund which we cannot
22 use it on anything else.

23 COMMITTEE MEMBER EATON: All right. Unless you
24 get statutory authority through your budget process?

25 MS. JORDAN: Correct. But what I was going to

1 say was that the scope of work and the award can come
2 back at the same time if it's an interagency agreement.

3 COMMITTEE MEMBER EATON: Right. Right. Okay.
4 I'm happy to make the recommendation but I'm not going
5 to, not until I talk to my fellow Board members. I
6 wouldn't want them to do it to me in case it was, you
7 know, something that deals with conversion technology.

8 COMMITTEE CHAIR JONES: And all we're trying to
9 do is just give some items to them so they know what
10 we're thinking.

11 I think that one of the issues we've got,
12 clearly there were some programs that we wanted to do,
13 but there were ten people that weren't, there was
14 actually probably more than ten people that we didn't
15 get. So --

16 COMMITTEE MEMBER EATON: But if we knew that at
17 an appropriate time we could have been advised of it.
18 When did we find that out?

19 COMMITTEE CHAIR JONES: I think we heard at a
20 Board meeting that some of the programs weren't going to
21 get done because of that non-allocation. I don't know
22 if we were told which of the programs, but there was a
23 discussion --

24 COMMITTEE MEMBER EATON: But it's been several
25 months.

1 COMMITTEE CHAIR JONES: Yeah.

2 COMMITTEE MEMBER EATON: So that should have
3 been brought in and discussed either at the executive
4 staff level that we're going to, we don't have positions
5 to fund these projects that the Board recommended.

6 COMMITTEE CHAIR JONES: Right.

7 COMMITTEE MEMBER EATON: These could have been
8 handled earlier on and brought to the attention of the
9 budget subcommittee at least that there may have been a
10 problem with any of the Board members particular
11 projects.

12 For instance, if it were something on green
13 building, it would have been something I was interested
14 in, we could have found something. We could have found
15 something through Senator Roberti or for anyone else
16 involved in conversion technology.

17 I'm just trying to get at what is the process
18 here by which we're dealing with. And I feel like I'm
19 getting jammed, if you want to be honest, and I am
20 getting jammed. And that's fine, I'll jam back. You
21 know, this is money that, you know, I don't want to hear
22 about it, you know.

23 If you need help, raise your hand, but don't
24 come here and just tell me that it can't be done because
25 I don't like that, and I'll tell you right now I'm not

1 going to go for it, and that's what's happening here,
2 you know. You know.

3 You want one of our Board offices to go and
4 find a contract to do for this, you know, for any of
5 these, I think these projects are worthy but, you know,
6 if that's what they want to do we'll do it. We'll
7 assign Mr. Leary to do it, I'm sure he'll find someone
8 to do it.

9 COMMITTEE CHAIR JONES: Okay. Are you, so
10 we've got some items here that the Board wanted to see
11 done that evidently we don't have the staff to do, so
12 what you're saying basically is that these items, and I
13 don't want to paraphrase, these items need to be
14 identified before the budget committee because that will
15 cover all --

16 COMMITTEE MEMBER EATON: I sit on the Board
17 subcommittee. What I'm saying is this is fine. If you
18 want to allocate the money, go ahead, you know, the way
19 you think.

20 What I'm saying is that I was just looking for
21 answers as relates to why certain things weren't getting
22 completed, okay.

23 COMMITTEE CHAIR JONES: Right.

24 COMMITTEE MEMBER EATON: Okay. And to date
25 they said we don't have the personnel. But that was

1 brought to us at a late time.

2 And I'm saying that it's going to be incumbent
3 upon the executive director for this individual to go to
4 the Board offices and find out, you know, were these at
5 the recommendation of each individual Board member. And
6 if it was, then I think we owe it to our fellow Board
7 members to go and see what we can do, and assign someone
8 to get this interagency agreement completed. That's the
9 least what we can do.

10 And if that's not the case, if it was just
11 something that we put in as a placeholder, then we can
12 reallocate all the money.

13 COMMITTEE CHAIR JONES: Right.

14 COMMITTEE MEMBER EATON: They're not my
15 projects.

16 COMMITTEE CHAIR JONES: I understand that.

17 COMMITTEE MEMBER EATON: And I'm just trying to
18 stick up for what I think, you know, the Board should be
19 and how my fellow Board members, I would hope to treat
20 me if they were one of my projects. And I just can't
21 speak to those other Board members, and that's something
22 we need to do.

23 If they want to do it, I mean I don't have a
24 problem with the track surfaces or anything like that
25 but we should find out whether or not --

1 COMMITTEE CHAIR JONES: So we'll leave a
2 surplus at the end on these is what we're saying, take
3 care of the ones we know we can take care of.

4 COMMITTEE MEMBER EATON: Correct. And then
5 leave the surplus and we can see what it is.

6 COMMITTEE CHAIR JONES: That's fine. That's
7 fine. But I think we do need to have staff, I mean Mr.
8 Eaton is right, the other members have a right to know.
9 You've got Medina and Paparian.

10 And I know Mr. Paparian was asking me this
11 morning about a contract for, or looking at an academic
12 services type thing he wanted to get into, and then Kit
13 delivered it to my office during lunch, and I read it.
14 I'm not sure that that's, while it was in the five year
15 plan I think I'd like to see it, you know, a little
16 different. His idea -- and that may come out in two
17 days in the budget committee hearing.

18 But we know that there were huge labor issues,
19 and so I think that that prioritization on what could
20 get done and couldn't get done is important because Mr.
21 Eaton is right, we all participated in this five year
22 plan, as did staff, and we need to see what could be
23 done.

24 COMMITTEE MEMBER MOULTON-PATTERSON: I was just
25 going to say maybe we should leave it here and bring it

1 back to the full Board so everybody could participate
2 rather than sending it to the budget committee.

3 COMMITTEE MEMBER EATON: I think that's great.

4 MS. GILDART: Excuse me. My understanding is
5 that the budget committee has asked to hear it. I don't
6 think it was that this committee was sending it forward.

7 COMMITTEE CHAIR JONES: Okay. Hold on.

8 COMMITTEE MEMBER MOULTON-PATTERSON: Well they
9 can hear it, but I think it should be discussed by the
10 full Board.

11 MS. GILDART: And it will be.

12 COMMITTEE CHAIR JONES: That's fine.

13 COMMITTEE MEMBER ROBERTI: I think on behalf of
14 the full Board is probably the proper way to go about
15 this.

16 I might add that I was trying to seek, I guess
17 the devulcanization study, but the problem that I think
18 has caused it to be slowed down is the hiring freeze.

19 So I recognize that, and I'm just curious if
20 the hiring freeze, whether it's affected any of the
21 programs that have been, that have been approved within
22 this grant proposal. My staff says that she doesn't
23 think so. So if the problem that some proposals are not
24 being considered is the hiring freeze, that's
25 acceptable, and I'd just sort of like to be totally

1 clear on that.

2 MS. GILDART: It was a combination. The hiring
3 freeze definitely had a huge impact on the program.

4 I also admit that the second reissuance of the
5 tire commercialization grant took a huge chunk of staff
6 time to go through that.

7 And then the work we've been doing this last
8 month in putting together responses to some of the
9 charges that have been brought as a result of that grant
10 program have taken staff time.

11 If the priorities that we've set do not meet
12 the pleasure of the Board then I apologize for that. I
13 have been working with the executive office in trying to
14 determine which projects should go forward with the
15 limited resources we had at our disposal.

16 COMMITTEE MEMBER EATON: No, I fully recognize
17 the limited resources and the sense of staff to make
18 judgment calls. However, I do think it would probably
19 be best if the full Board discusses this for my own
20 consideration.

21 MS. GILDART: Well what we've been planning to
22 do is get discussion here and both at the market
23 committee and at the admin committee and present this to
24 the full Board. Now if you would prefer we just go
25 straight to the Board without the two preliminaries,

1 that's something we can certainly do.

2 COMMITTEE CHAIR JONES: I don't think we can
3 speak for admin, but I think that the chairwoman is
4 right, we'll send, we'll wait until the day of the Board
5 meeting to do this.

6 MS. GILDART: Are there any materials or
7 information you'd like in advance? I mean is there
8 something we could provide you that would make your job
9 any easier?

10 COMMITTEE CHAIR JONES: There would be a couple
11 of things. I think that, I think that, I think there is
12 an appreciation that your staff is thin. I don't want
13 this to be, you're going to have to give us an idea of,
14 in this allocation, where you've got staff available to
15 take it on, where they're, you know, the additional
16 work;

17 Where there are some of these identified ideas
18 where there aren't staff available, give us an option as
19 to what we can do. Whether devulcanization and the
20 conversion technology ones, could go to an academic
21 institution? What would that take as far as the
22 management from your staff? You know what I mean. I
23 mean give us an idea about what those constraints are.

24 I mean if we're going to make dollar
25 appropriations to different, to different pieces, let us

1 know if we're going to have a hard time because of
2 either staff or whatever.

3 Because we may have to make some, you know, we
4 may say no, we really want to see this, can you figure
5 out a way to make it happen? And you guys are
6 unfortunately normally very accommodating, and when you
7 run out of staff time you run out of staff time.

8 So does that make sense?

9 COMMITTEE MEMBER MOULTON-PATTERSON: Yes.

10 COMMITTEE MEMBER EATON: Uh-huh.

11 COMMITTEE CHAIR JONES: Okay. So we will hear
12 this at the Board meeting. Thank you.

13 18 is continued.

14 MS. WILLD-WAGNER: 18, so we'll move to 19.

15 COMMITTEE CHAIR JONES: You're going to do your
16 Deputy Director's report, right?

17 MS. WILLD-WAGNER: I already did.

18 COMMITTEE CHAIR JONES: You already did, sorry
19 about that. I have a request from a bunch of folks that
20 flew in on the trash bag issue to hear it early. I just
21 don't know if both sides of the argument are here. I
22 don't want to hear the item if only one side is
23 represented.

24 So if you could check, I want to take, we'll
25 take a ten minute break, could you check and make sure

1 both sides of the argument are here? Because I'm not
2 going to hear it early if both sides aren't represented.

3 But if we, if they're here, then I don't have
4 any problem with taking it early. Okay. Just make sure
5 they're here.

6 (Thereupon there was a brief recess.)

7 COMMITTEE CHAIR JONES: Okay. We're going to
8 come back to order. I think -- Bill, did you tell them?

9 We've got some items under oil that we can get
10 through pretty quickly, and then we'll get to you, it
11 will be, it will be fairly quick.

12 I want the record to show that the Senator has
13 been here for a while, I just didn't, I didn't
14 acknowledge that he walked in because we were in the
15 middle of a debate, and so I apologize.

16 COMMITTEE MEMBER ROBERTI: Thank you, Mr.
17 Chairman.

18 COMMITTEE CHAIR JONES: Senator, do you have
19 any ex-parte?

20 COMMITTEE MEMBER ROBERTI: No ex-parte.

21 COMMITTEE CHAIR JONES: Do any of the members
22 have any?

23 COMMITTEE MEMBER EATON: None.

24 COMMITTEE CHAIR JONES: Okay. I have two, John
25 Cupps and George Larson on the tire commercialization

1 and one on permit issues.

2 So we are going to hear item K, which is 19.

3 Ms. Shirley Willd-Wagner -- sorry about that, I
4 was going to move you ahead but it doesn't make any
5 sense, we can move through these.

6 MS. WILLD-WAGNER: That's okay, I appreciate
7 it, thank you.

8 The first two items for the special waste
9 department here or the special waste portion of the
10 agenda are K and L, Board items 19 and 20, are scope of
11 work and award of contract and some follow-up work on a
12 do-it-yourselfer contract that we had before.

13 Kristin Yee will be presenting the item.

14 MS. YEE: Good afternoon, chairman and members.
15 I'm Kristin Yee with the Waste Prevention and Market
16 Development Division.

17 This item is to consider the scope of work and
18 award for a phase two of the do-it-yourselfer oil
19 changers research contract, concept number 46, that was
20 approved back at the November of 2001 Board meeting.

21 The profile of the proposed contractor was
22 e-mailed to each of you, and if you don't have it we
23 have extra copies if you want it right now. Is that
24 necessary?

25 COMMITTEE CHAIR JONES: Thank you. We're

1 good.

2 MS. WILLD-WAGNER: Oh, you're good?

3 COMMITTEE CHAIR JONES: We're good. We all
4 have it. Go ahead.

5 MS. YEE: Okay, great. Two years ago the Board
6 entered into a contract with the Public Research
7 Institute of San Francisco State University at study the
8 oil disposal behavior, attitudes, media use and message
9 and incentive receptivity of California residents to
10 change their own oil.

11 A report on do-it-yourselfers was completed
12 from this institution and presented to the Board last
13 summer.

14 The proposed contract will continue the
15 analysis of the research by extrapolating additional
16 information from the survey that they did and in looking
17 at aspects of the research that have not been examined
18 more specifically.

19 This will lead to facilitating additional
20 refocus groups that will be identified from the
21 research, and also a tool kit will be developed for
22 local programs and community groups to use.

23 The tool kit will help the users to better
24 define and understand the Target audience and to design
25 a more effective outreach to encourage behavioral

1 changes.

2 We would ask and recommend that the committee
3 take the scope of work and consider San Francisco State
4 University as the contractor for phase two of the
5 do-it-yourself research study at the Board meeting on
6 May 14th and 15th, and approve the adoption of
7 Resolution number 2002-273 and Resolution 2002-222.

8 And if you have any questions I'll be happy to
9 answer them.

10 Also, Dr. Brown of the San Francisco State
11 University is here to answer any of your questions.

12 COMMITTEE CHAIR JONES: Any questions of the
13 members?

14 Mr. Eaton.

15 COMMITTEE MEMBER EATON: Mr. Chair, I move that
16 we adopt Resolution 2002-223.

17 COMMITTEE MEMBER MOULTON-PATTERSON: Second.

18 COMMITTEE CHAIR JONES: We have a motion by Mr.
19 Eaton and a second by Linda Moulton-Patterson.

20 Could you call the roll?

21 COMMITTEE SECRETARY BAKULICH: Eaton?

22 COMMITTEE MEMBER EATON: Aye.

23 COMMITTEE SECRETARY BAKULICH: Moulton-
24 Patterson?

25 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

1 COMMITTEE SECRETARY BAKULICH: Roberti?

2 COMMITTEE MEMBER ROBERTI: Aye.

3 COMMITTEE SECRETARY BAKULICH: Jones?

4 COMMITTEE CHAIR JONES: Aye.

5 COMMITTEE MEMBER EATON: Excuse me, I believe
6 that the next item is just a consideration of the actual
7 contractor, previously known as the scope, so it's not
8 necessary to go into anymore detail on it.

9 I move that we adopt Resolution 2002-222 which
10 would be the awarding of the contract to San Francisco
11 State University.

12 COMMITTEE MEMBER MOULTON-PATTERSON: Second.

13 COMMITTEE CHAIR JONES: We have a motion and a
14 second.

15 This is money, call the roll.

16 COMMITTEE SECRETARY BAKULICH: Eaton?

17 COMMITTEE MEMBER EATON: Aye.

18 COMMITTEE SECRETARY BAKULICH: Moulton-
19 Patterson?

20 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

21 COMMITTEE SECRETARY BAKULICH: Roberti?

22 COMMITTEE MEMBER ROBERTI: Aye.

23 COMMITTEE SECRETARY BAKULICH: Jones?

24 COMMITTEE CHAIR JONES: Aye.

25 MS. WILLD-WAGNER: And committee item M and

1 Board item 21 is for a scope of work for comprehensive
2 assessment of the used oil and household hazardous waste
3 program.

4 You'll notice that all the documentation does
5 call for \$160,000 in the resolution and in the item. We
6 are going to request that that actually be increased to
7 200,000, and Kristin will give you a little explanation
8 on that.

9 If the committee does approve that, we'll issue
10 revised resolution and Board items by the time of the
11 Board meeting next week.

12 COMMITTEE CHAIR JONES: Okay.

13 MS. YEE: Hello again. As Shirley said, I'm
14 here to present the contract concept and scope of work
15 for the comprehensive assessment of the used oil/
16 household hazardous waste contract, concept number
17 0-56.

18 This year marks the tenth anniversary of the
19 used oil program, and so we thought that it was an
20 appropriate time to kind of examine the program in
21 detail and determine what's been accomplished and maybe
22 identify areas of improvement for the future.

23 This assessment would review past and current
24 studies in relation to factors that impact current used
25 oil recycling rates.

1 The goal of the contract is to provide a
2 comprehensive overview and assessment of the program's
3 accomplishments and impacts.

4 The result will streamline the oil grant
5 administrative process as well as provide future options
6 that could be implemented to increase used oil recycling
7 rates.

8 This comprehensive assessment would also help
9 us in developing a five year plan that we'd like to use
10 for the used oil program for years 2002 through 2007.

11 The scope of work, which is attachment two,
12 outlines all the work that we want performed by the
13 hired contractor, and there's basically five tasks
14 outlined and detailed in attachment two before you.

15 Funding was provided for this contract concept
16 at the budget subcommittee back in December 19, 2001,
17 for \$160,000.

18 And we've had time to kind of go through the
19 details of what we want in the scope of work, and
20 because of the level of detail and information we are
21 requesting, we are requesting that the budget be
22 increased to 200,000, and this is shown in attachment
23 two, the contract concept.

24 So we would ask and recommend that the
25 committee take this contract concept and scope of work

1 on consent to the Board meeting on May 14th and 15th,
2 and approve the adoption of Resolution 2002-215.

3 Do you have any questions?

4 COMMITTEE MEMBER EATON: Just one. Does the
5 extra 40,000 come from the oil fund?

6 MS. YEE: Yes.

7 COMMITTEE MEMBER EATON: Okay.

8 COMMITTEE CHAIR JONES: Are you going to make a
9 presentation in front of the admin and budget committees
10 to let them know about this if we recommend this?

11 MS. WILLD-WAGNER: That wasn't clear to me
12 which way we were going to go on that, which committee
13 was going to hear an actual increase.

14 It's not a total allocation so I don't believe
15 it was requested to come before the budget subcommittee.

16 COMMITTEE CHAIR JONES: That's fine. That's
17 fine. Okay.

18 COMMITTEE MEMBER EATON: I move that we adopt
19 Resolution 2002-215.

20 COMMITTEE CHAIR JONES: Thanks, Mr. Eaton.

21 COMMITTEE MEMBER MOULTON-PATTERSON: Second.

22 COMMITTEE CHAIR JONES: We've got a motion by
23 Mr. Eaton, a second by Linda Moulton-Patterson.

24 Call the roll.

25 COMMITTEE SECRETARY BAKULICH: Eaton?

1 COMMITTEE MEMBER EATON: Aye.

2 COMMITTEE SECRETARY BAKULICH: Moulton-
3 Patterson?

4 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

5 COMMITTEE SECRETARY BAKULICH: Roberti?

6 COMMITTEE MEMBER ROBERTI: Aye.

7 COMMITTEE SECRETARY BAKULICH: Jones?

8 COMMITTEE CHAIR JONES: Aye.

9 Thank you.

10 MS. WOHL: You want to skip all the way to U or
11 do you want me to do my Deputy Director's report?

12 COMMITTEE CHAIR JONES: I want you to do your
13 Deputy Director's report.

14 MS. WOHL: Okay, I will. Patty Wohl, Waste
15 Prevention and Market Development Division.

16 I just have a few things I wanted to mention to
17 the committee. The first being that if you remember,
18 last September the Board approved the 2001 waste
19 reduction awards, the WRAP winners. And of those we had
20 2,347.

21 152 of those were the Target stores, and the
22 Board asked us to kind of suspend that award until we
23 could clear up some compliance agreements on the RPPC
24 side.

25 So I'm just happy to report that we got that

1 all straightened out, and we have issued the awards to
2 Target. And we've obviously sent them a letter and kind
3 of encouraged their participation in the future.

4 So I just wanted you to know that everything
5 was cleared up in that area.

6 COMMITTEE CHAIR JONES: Great.

7 MS. WOHL: Secondly, I wanted to talk a little
8 bit about the zone, zone works and some zone renewal
9 training that we've been doing.

10 We were getting ready to start talking about
11 the redesignations that are coming up in 2003, so we've
12 had some training workshops with the RMDZ's, that we've
13 had a hundred percent attendance of those that will have
14 a redesignation due in 2003.

15 And Mr. Eaton has been very helpful. He's
16 attended those sessions and kind of encouraged their
17 participation. And also he's been willing to meet with
18 them separately to talk about any issues that they have
19 with that redesignation process. So we're moving
20 forward on that.

21 In addition, I wanted to bring your attention
22 to this. That the next zone administrator training
23 workshop is June 6th and 7th in Palm Desert. And
24 there's going to be an environmental justice focus on
25 that. So if you're interested in attending.

1 And then lastly, I just wanted to also mention
2 that through the ongoing efforts of the buy recycled
3 section, we've been working with Boise Cascade which is
4 the new contract, the master agreement for office
5 supplies, and they have put together a booklet that
6 includes just recycled product information. And in here
7 it tells those products that have recycled content, the
8 amount of post consumer, and those that qualify for the
9 SABRC requirement.

10 So we're hoping that that will work for the
11 state departments that are interested in meeting that
12 mandate and get them, you know, have a useful tool so
13 they can just go right to that and pick out the products
14 that meet the SABRC requirements.

15 So that's really it for my Deputy Director's
16 report, so we can move along to, I believe it's agenda
17 item U, which is the equivalent of the May Board agenda
18 item 28.

19 Consideration of amendments to recommendations
20 concerning the plastic trash bag law as contained in a
21 report to the legislature on the plastic trash bag
22 survey, and approved by the Board at its September, 2001
23 meeting, and approval of a report to the legislature on
24 the plastic trash bag survey.

25 And I'd like to start by introducing Bill Orr,

1 and then he will introduce his staff as they present.

2 MR. ORR: Thank you, Patty. Good afternoon,
3 Mr. Chair and Committee members. My name is Bill Orr,
4 manager of the recycling technologies branch.

5 This item presents for consideration the
6 results of staff followup since the adoption of the
7 plastic trash bag survey report. The presentation has
8 been organized into three sections.

9 The first section will contain a brief overview
10 of how the trash bag law works, and the chronology of
11 events leading to this meeting.

12 The second section contains information about
13 the method we used to prepare these amendments.

14 And the third section includes options for your
15 consideration as well as our staff recommendation.

16 I'll be presenting the first section.

17 Marie McLean, who coordinated and conducted the
18 research on which we based our recommendations, will
19 present the second.

20 And John Nuffer, supervisor of the plastics
21 recycling technology section, will present the options
22 in our recommendation.

23 I expect the presentation to last about eight
24 minutes, and once we're finished we'd be happy to answer
25 any questions you may have.

1 What I'd like to start with is briefly to take
2 a look at how the law works. The current trash bag law
3 applies to bags that are at least point seven mils thick
4 or greater. This basically defines what a regulated bag
5 is. And they include, but are not limited to, garbage
6 bags, composting bags, lawn and leaf bags, can cleaner
7 bags, kitchen bags, compactor bags, and recycling bags.

8 Information includes -- that they're required
9 to submit to the year, to the Board each year includes
10 the total number of trash bags that they intend to sell,
11 the source of the post consumer content, the production
12 location of bags in post consumer content, the name and
13 location of suppliers of post consumer material or the
14 customers to whom post consumer material was sold. The
15 law does not apply to bags that come into contact with
16 food.

17 People that are subject to the certification
18 requirements, they need to indicate whether or not they
19 met the ten percent requirement for post consumer
20 content. If they were unable to meet that requirement,
21 there is a, an exemption. They certify this information
22 and return it to the Board by each March.

23 The manufacturers returning the certification
24 by March 1st are deemed to be in compliance.

25 Those that don't return the certification by

1 March 1st are subject to the sole enforcement provision
2 of the law which is that they cannot do business within
3 the state.

4 Just as a brief review. At the September, 2001
5 Board meeting, the Board adopted the trash bag survey
6 report to the legislature that included, at the time,
7 three recommendations, but one of them actually became
8 law shortly after the report was adopted, so I've taken
9 that one out of here, which was to give a California
10 credit for using post consumer content from California.

11 But the two remaining recommendations are, to
12 increase the amount of recycled plastic post consumer
13 material by some undetermined amount. And to remove the
14 exemption for compliance for manufacturers who could not
15 meet the recycled content requirements as stated in the
16 law.

17 Since the report was approved by the Board, in
18 addition to the one provision already becoming law,
19 staff held a stakeholder workshop here at the Board's
20 offices on January 11th.

21 The 2001 certifications were due to the Board
22 on March 1st, and the options and staff recommendation
23 that we'll be presenting today was actually unveiled at
24 the interested parties meeting on April 12th.

25 This concludes my portion of the briefing and

1 I'll now introduce Marie McLean who will present the
2 findings about the availability of recycled post
3 consumer plastic material.

4 MS. MCLEAN: Good afternoon, members of the
5 committee. My name is Marie McLean and, as you know, I
6 coordinated and conducted the research on which our
7 recommendation to you is based.

8 The purpose of our research was to determine
9 the availability of post consumer material included in
10 trash bags.

11 Our findings were that the law is essentially
12 voluntary, and only large companies are unable to
13 include the minimum content stated in law. The reason
14 why they can't include the minimum content is because
15 there's insufficient quantity of post consumer material
16 at a consistent price over a long period of time. And
17 we substantiated the unavailability through various
18 avenues of research.

19 Our avenues of research not only included
20 information gathered from the January 11th, 2002
21 workshop, we thoroughly analyzed the results of trash
22 bag certifications and the 2002 RPPC survey. And in
23 addition, we conducted a comprehensive analysis of the
24 trash bag law and received written and verbal
25 information from consulting firms who deal exclusively

1 with recycling issues involving plastic and waste
2 management.

3 Finally, we also verified our results with R.W.
4 Beck who had just completed a comprehensive survey on
5 plastics recycling for the American Plastics Council.

6 Our research indicates post consumer resin is
7 unavailable for large manufacturers due to proliferation
8 of world markets, sporadic collection from isolated
9 commercial sources in California and the United States,
10 and the creation of secondary markets and collection
11 systems.

12 For example, of the 230 processors responding
13 to the 2002 RPP survey, one percent reported collecting
14 film from residential sources, and 15 percent from
15 isolated commercial sources. They also reported that
16 the film collected from those commercial sources is
17 generally sold to Pacific Rim countries.

18 In addition, the creation of secondary markets
19 and collection systems for film to use in plastic
20 lumber, siding, flooring, garden products, and traffic
21 control devices has made less film available.

22 For example, here in Northern California about
23 one million pounds a month of plastic film is being
24 collected for Boise Cascade's plastic siding plant being
25 built in the state of Washington. The ultimate amount

1 to be completed is projected to be 48,000 tons a year.
2 Since the plan is not operational today, the film they
3 collect is now sold to the Pacific Rim countries.

4 Research indicates that companies manufacturing
5 bags for sale in California can be categorized as large
6 as small. That is, from 1995 to 2001, companies selling
7 bags in California decreased 46 percent with many
8 companies acquired by larger companies.

9 Those large companies dominate the market today
10 but use less resin. For example, in year 2001 13,653
11 tons of post consumer material was used in trash bags.
12 The four largest manufacturers used only 13 percent,
13 which was a decrease from the year 2000.

14 Even though small companies are losing market
15 share, they use more recycled resin. For example, 19
16 small manufacturers used 87 percent of that 13,653 tons
17 of that post consumer material, a five percent increase
18 from the year 2000.

19 About five billion bags are manufactured for
20 sale in 2001 -- oh, excuse me, sorry, I touched the
21 wrong button here. Okay, thank you.

22 About five billion bags are manufactured for
23 sale in 2001. Four manufacturers made 68 percent of
24 them, a 52 percent increase from the year 2000. In
25 addition, they made 65 percent of all bags subject to

1 the ten percent minimum content requirement, which was a
2 42 percent increase from the year 2000. However, only
3 about twelve percent of those bags met the ten percent
4 minimum content requirement, which was a decrease from
5 the previous year.

6 On the other hand, the 19 smaller companies,
7 including six from California, made the remaining 32
8 percent of the bags, a ten percent decrease from the
9 year 2000. They also made 35 percent of all bags
10 subject to the ten percent requirement which is, which
11 was a 15 percent decrease; however, all those bags
12 contained at least ten percent minimum content
13 requirement.

14 Research indicates that the most effective
15 amendment we can propose is one that will acknowledge
16 the unavailability of post consumer material for large
17 manufacturers, and facilitate the use of more post
18 consumer content in trash bags through the immense
19 purchasing power of the state. By doing that we will be
20 rewarding small businesses who now are the largest group
21 of manufacturers consistently using post consumer
22 content in trash bags.

23 In addition, because the law is voluntary and
24 small businesses continue to use post consumer content
25 in an increasing amount, we think they will continue to

1 use it because it makes good business sense for them to
2 do so.

3 John Nuffer will now talk to you about the
4 options we propose for your consideration, as well as
5 our recommendation.

6 MR. NUFFER: Good afternoon, Board members,
7 this is John Nuffer with the plastics recycling
8 technology section.

9 I'd like to summarize the presentation today
10 and also discuss briefly the options we've considered,
11 and also focus on what we're recommending and why.

12 You have a number of options. The first would
13 be to wait until the white paper to make recommendations
14 to the legislature. That should be completed during
15 the, during this coming summer.

16 Or you could make recommendations now to the
17 legislature. And those involve leaving the law alone.

18 Increasing the recycled content beyond the
19 current ten percent requirement.

20 You could provide additional compliance options
21 and give credit, for example, for source reducing bags
22 or making biodegradable bags.

23 You can reduce the requirements.

24 You can eliminate the requirements, including
25 the exemption.

1 Or you can modify the requirements.

2 It's our recommendation that you modify the
3 requirements by doing two things;

4 One is, would be eliminating the annual
5 compliance certification -- one is eliminating the
6 annual compliance certification process the companies
7 must go through.

8 The second would be working with the Department
9 of General Services to develop an approved list of
10 brands for bags sold to the State of California.

11 Option seven is eliminating the certification
12 process. Why eliminate the certification process?

13 First, the law only applies as Marie alluded,
14 to about a quarter of the five billion bags that are
15 sold in the state.

16 Also, the law is essentially voluntary. Seven
17 companies did not certify for our most recent
18 certification for the year 2001, and four did less than
19 the ten percent required. The only penalty for those
20 actions is that they can't sell to the state.

21 If a company can't get a consistent long term
22 supply of the right quality PCR, post consumer resin, at
23 the right price, they can exempt themselves from the
24 requirement. And large companies, as Marie said,
25 generally can't comply because they can't get enough

1 post consumer resin.

2 So large companies tend to be exempt. Small
3 companies, as Marie said, continue to use more than ten
4 percent post consumer resin because they're closer to
5 sources of feedstock and can be more flexible than
6 larger companies.

7 In the 2001 certification we found that smaller
8 companies used anywhere from ten to 50 percent or more
9 post consumer resin in their bags. So the certification
10 process places a disproportionate administrative burden
11 on the smaller companies.

12 And finally, the certification figures may not
13 be completely accurate. There's been some confusion
14 about the definitions of recycled plastic in the statute
15 and the regulations. There's also been some confusion
16 about what is meant by post consumer. Some companies
17 may be thinking that post industrial is post consumer.

18 Let me talk a little bit about option six, to
19 develop an approved brands list for the Department of
20 General Services. Why do that?

21 The first is it sets a higher standard for the
22 bags that the state buys. We can set that standard as
23 high as the performance of the bags would allow.

24 The second is we reward smaller companies that
25 will continue to use or to meet the ten percent post

1 consumer resin requirement. As I said, smaller
2 companies generally use anywhere from ten to 50 percent.

3 And third, we believe that by doing that it
4 would increase the use of California post consumer resin
5 statewide by as much as 25 to 50 percent. Right now
6 only 21 percent of the post consumer resin used in
7 California bags comes from California, and that's down
8 65 percent from the year 2000.

9 In conclusion, you directed us to evaluate the
10 minimum content requirement and eliminating the
11 exemption in light of the availability of post consumer
12 resin.

13 Originally we were considering raising the
14 minimum content for all companies selling bags in
15 California, but because the supply of post consumer
16 resin is currently limited, and because companies can
17 exempt themselves, we believe that raising the content
18 for bags sold to the state is a more effective way to
19 increase the use of post consumer resin in California.

20 Furthermore, in the past, companies have been
21 able to claim exemptions and still sell to the state
22 even though they didn't use ten percent post consumer
23 resin.

24 To summarize, we believe the most effective
25 approach without pursuing additional penalties for not

1 using ten percent post consumer resin would be to
2 eliminate the Board's annual compliance certification,
3 raise the minimum content for state bags as much as
4 technologically possible, and work with DGS to develop
5 an approved brands list.

6 And as I said, we believe this could increase
7 the use of California post consumer resin by anywhere
8 from 25 to 50 percent.

9 That concludes my presentation, our
10 presentation. We'd be happy to answer questions.

11 COMMITTEE CHAIR JONES: Do any of the members
12 have any questions? We have some speakers but we may
13 have some questions.

14 COMMITTEE MEMBER EATON: What is the Pacific
15 Rim countries using the resin for, in their production
16 of what?

17 MS. MCLEAN: Trash bags, many of them are sold
18 and --

19 COMMITTEE MEMBER EATON: Do they come back
20 here.

21 MS. MCLEAN: Did you have the information on
22 the trash bags that came from the -- it was one billion.
23 We have many --.

24 COMMITTEE MEMBER EATON: So I'm having a hard
25 time because it's a little bit confusing because based

1 on the track record that we have here in the state that
2 even SABRC, the state purchasing doesn't work, so how,
3 I'd like to know why your optimism is is that this would
4 work?

5 I mean, you know, I mean really it's just like
6 confusing, and at the same time I'm trying to figure out
7 that if bags, there's not enough of this resin on the
8 market because it's going to the Pacific Rim, and the
9 Pacific Rim is just making it into products and then
10 coming back here and selling it, it doesn't seem logical
11 to me that what, our course of action is appropriate
12 given the fact that the only reason why it's being
13 gobbled up is because we, it's somehow required. So
14 help me get through the maze. I'm not quite sure.

15 MR. ORR: I'll take a stab at that one.

16 COMMITTEE CHAIR JONES: Mr. Orr.

17 MR. ORR: I think one of the things that Marie
18 mentioned in her presentation was, or John may have
19 mentioned it in his, was the confusion over the
20 definition of post industrial versus post consumer.

21 And I think what we're finding is that for the
22 bags that especially come over from the Pacific Rim
23 countries, that we have a very difficult time of
24 determining whether that is post industrial plastic or
25 post consumer plastic. And so they're, the quality of

1 information that we're getting back to pin that down is
2 very difficult in terms of the products that are coming
3 back.

4 Now, in terms of the question about why would
5 this be more successful in working with General Services
6 than the state agency Buy Recycled campaign, I think
7 there's two reasons for that.

8 First off all the state agency Buy Recycled
9 campaign is a very product category-related program, and
10 this is a specific product you can write a spec that
11 then becomes the standard by which the state uses to
12 purchase bags. Whereas a general mandate to go out and
13 buy a certain percentage of plastic products.

14 The state already has a statewide contract for
15 the purchase of bags, and the Department of General
16 Services has expressed an interest in working with us to
17 develop this particular contract.

18 COMMITTEE MEMBER EATON: Have you considered,
19 when you talk about eliminate the certification program,
20 that's, the recommendation is based on the fact that
21 there's this alleged shortage of resin, is that
22 correct?

23 MR. ORR: Yes.

24 COMMITTEE MEMBER EATON: If you eliminate the
25 program and next year, miracles do happen, there's a

1 sudden glut, then if there's an outcry, "Why aren't
2 there more recycled content trash bags?" Then they
3 would have to go back to the legislature and reinstitute
4 a law, correct?

5 So why haven't we considered the fact that
6 because of these circumstances that we will just suspend
7 the certification process until market conditions
8 justify it?

9 MR. ORR: That's a good question.

10 COMMITTEE MEMBER EATON: And the reason why is
11 because I'm putting on my regulatory bureaucrat's hat,
12 but why would I ever want to give up jurisdiction over
13 something?

14 MR. ORR: I appreciate that. I think there's
15 really a two-fold answer to this one as well.

16 The one is in terms of the bags, I think we're
17 basically raising the bar for the bags that the state
18 buys, and that we would do this in a more streamlined
19 and effective way. So I think that the current law
20 hasn't worked with the final result that the state has
21 bought bags with less than ten percent, so we're
22 basically working on streamlining that process. So
23 that's the first part.

24 The other part that Marie referred to was the
25 increasing competition by the plastic lumber market, and

1 they basically don't need the plastic to be as clean,
2 they don't have the same limitations based on basically
3 how plastic lumber is manufactured that the bag
4 manufacturers do, and I'm sure that several of them
5 could speak to that part.

6 So I think it's a two-fold thing that we're
7 trying to make the law more streamlined and effective,
8 and then as far as the demand for the material, we think
9 it's going to go toward plastic lumber anyway.

10 COMMITTEE MEMBER EATON: But, you know, you're
11 basing it on the state's purchasing. But wouldn't there
12 be the situation that if I'm a manufacturer I'm just not
13 making it for the State of California, I'm making it to
14 market for every citizen in California to buy it.
15 Correct? So doesn't that actually help?

16 MR. ORR: There are a variety of companies that
17 make products for specific state contracts. There are
18 some that just make them for institutional purposes and
19 don't sell retail, and some of them are here today and
20 I'm sure they'd be happy to speak to that.

21 COMMITTEE MEMBER EATON: But you understand
22 what I'm trying to get at is, and I don't have a
23 problem, I understand about the market forces, but why
24 would we be willing to give it all up when you fought so
25 hard to get it at a certain point?

1 MS. MCLEAN: Mr. Eaton, I did consider when I
2 did the research the fact that maybe this is just a
3 temporary situation and suddenly in a couple of years
4 we'll have a glut on the market. The trends over, since
5 1995 actually do not support that.

6 And the other consideration is is that the
7 trash bag manufacturers are consistently making more and
8 more trash bags, those big companies, with the
9 continuing consolidation in companies and the increasing
10 amount of trash bags they make for sale in California,
11 like from nineteen, from 2000 to 2001 the amount of bags
12 they made increased 52 percent, it is unlikely that
13 there is going to be, even if there is an increase in
14 resins, which there may well be, there could be, but
15 there's likely not to be enough for those big, big
16 trash, big companies to use.

17 COMMITTEE MEMBER EATON: Who are exempt.

18 MS. MCLEAN: Who are exempt.

19 MS. WOHL: But who would also continue to be
20 exempt even if we suspended it.

21 MS. MCLEAN: Right.

22 MS. WOHL: We haven't solved that problem.

23 COMMITTEE MEMBER EATON: That's a job in
24 another arena --

25 MS. MCLEAN: Right, that's the big --

1 COMMITTEE MEMBER EATON: If someone wanted to
2 take on them to do their exemption.

3 MS. MCLEAN: Right.

4 COMMITTEE MEMBER EATON: But I also want to
5 tell you about trends. So was my stock really good from
6 '95 too, and I can tell you where that's gone right now
7 too. So I don't want to hear about trends because I can
8 tell you right now we're all a lot poorer in this room.
9 And I fear anyone who raises their hand that they've
10 gone along that way.

11 MS. MCLEAN: But I'd be happy to show you those
12 trash bag trends, and I bet you'd agree with me.

13 COMMITTEE MEMBER EATON: Trash talking.

14 MS. MCLEAN: Right. That's right.

15 COMMITTEE MEMBER EATON: Thank you.

16 COMMITTEE CHAIR JONES: I have a couple of
17 questions. The, I mean one of the things that this law
18 has really promoted is the lightweighting of trash
19 bags. You have a whole industry that makes a lighter
20 bag now that can hold as much stuff because of this
21 recycled content, I think. I know that they've clearly
22 made some changes.

23 MS. WOHL: Well I guess you'll hear them speak,
24 but from our research we've found that they would do it
25 anyway. They're inclined to continually lightweight.

1 COMMITTEE CHAIR JONES: Sure.

2 MS. WOHL: To get them lighter and lighter, you
3 know, because the plastic gets better and better, so
4 they will probably tell you that that's just good
5 business for them and they'll continue to do that.

6 COMMITTEE CHAIR JONES: I mean the two caveats
7 to become exempt are the quantity of material available
8 and at a reasonable price, right? As a, what's the
9 verbiage on the price?

10 MS. WOHL: It's the quality, not necessarily
11 the price, is that right?

12 COMMITTEE CHAIR JONES: So price isn't an
13 issue? I thought in the presentation somebody said
14 price.

15 MR. ORR: Yeah, at a reasonable price.

16 COMMITTEE CHAIR JONES: At a reasonable price.
17 Who sets the standard for reasonable price?

18 MR. ORR: It's a self-exemption currently.

19 COMMITTEE CHAIR JONES: Well I understand
20 that. But I mean if the market is at six and somebody
21 says, "Well the only thing that's reasonable to me is
22 two, and they're selling for three, therefore I'm not
23 exempt," I would have to -- "therefore I'm exempt,"
24 that's problematic.

25 Because, you know, clearly recycling, recycling

1 content material has been a long fought battle in this
2 state to get it in the bags and get it into a lot of
3 things.

4 And it, if we do away with the certification or
5 suspend it, what's the, how can you go to DGS and set a
6 standard when nobody has to certify whether or not they
7 make the standard?

8 I mean doesn't that still give you some -- I
9 mean you're telling us in this presentation that the
10 small manufacturers are actually increasing their volume
11 of material they're selling because they are including
12 recycled content, did I misunderstand or is that what
13 you basically said?

14 MR. ORR: I think they're decreasing the volume
15 that they're selling. They're losing market share but
16 they're maintaining recycled content. So they're still
17 continuing to meet the requirement, but their market
18 share has been slipping.

19 COMMITTEE CHAIR JONES: And it's slipping
20 because people are going to lighter weight, lighter mil
21 bags?

22 MR. ORR: I think it's slipping in large part
23 because the bigger companies are buying the smaller
24 companies and so they become part of the larger
25 companies, and then they may or may not continue to meet

1 the requirement.

2 COMMITTEE CHAIR JONES: Okay. But they're not
3 selling their companies at a loss, so they're still
4 making money.

5 MS. WOHL: I think part of our recommendation
6 was that we would put in this report that the
7 legislature would mandate kind of this interaction
8 between DGS and ourselves and the development of those
9 specifications and the purchase of a higher end post
10 consumer bag so that that would facilitate the
11 discussion for us too.

12 COMMITTEE CHAIR JONES: Okay. And then one of
13 the other recommendations was to wait until the white
14 paper is done, and this is a topic in the white paper
15 whether they've all been able to.

16 MR. ORR: And in fact, Mr. Jones, you may
17 recall when the Board adopted the report back in
18 September, one of the options presented at that time was
19 deferring until the white paper. And the
20 recommendation, the staff recommendation at the time was
21 that the white paper wasn't going to be specific enough
22 to really address these issues.

23 And while our recommendation has been refined
24 since then, I think our opinion still remains the same.

25 COMMITTEE CHAIR JONES: It's the same. Yeah.

1 All right.

2 Any other questions or comments? I'm going to
3 start calling folks up here.

4 Okay. John Eberhard, followed by Laurie
5 Nelson.

6 MR. EBERHARD: Hi, my John is John Eberhard and
7 I'm with Heritage Bag Company. And I wanted to just
8 start out by thanking the Board for the opportunity to
9 come up and speak.

10 Mr. Jones, you brought up a point that the
11 natural forces of garbage can liners is to reduce the
12 gauge, when actually what this law has done is forced
13 manufacturers in this state to increase the gauge of
14 product.

15 A big part of our problem is not only getting
16 the quantity of material that we need, but it's also
17 finding the quality of PCR that we need.

18 We can get PCR in certain percentages, but the
19 quality is so poor that we have to up our gauges in
20 order to meet the strengths that our customers demand
21 upon us.

22 Heritage Bag Company, for example, does no
23 retail business, we only do institutional business. So
24 that means we service med/surg, so all your large
25 hospitals, food service, jan/san paper packaging type

1 facilities.

2 When you start introducing a very high grade
3 contaminant into the manufacturing process, you lose all
4 stability within your product. So what we have to do in
5 turn is rather than make a point nine mil bag, we have
6 to make a 1.25 mil bag to try to maintain some of the
7 same strengths.

8 And it gets very difficult when you start
9 utilizing clear product, because clear recycled
10 materials is much more expensive than a black recycled
11 material.

12 Now, we're not exempt between running clears,
13 reds, blues, yellows, blacks; certain colors do not
14 allow us to put PCR in, we can't do it because it
15 changes the color.

16 I'll give you an example. We had Atlanta, we
17 have a facility in Atlanta, Cincinnati, Dallas, Los
18 Angeles, and through requisition we have five more
19 facilities of last month. The average thickness of a
20 can liner out east is a point seven to a point nine mil
21 bag. In California, on the institutional side, it's
22 anywhere from a 1.25 to a 1.5 mil as a standard.

23 If we can't eliminate the mandate to put this
24 contaminant in our product, we want to drop our gauges.
25 We want to get down to the point seven fives and the

1 point nines. And we can do that because we want to sell
2 on performance, we don't want to sell on gauge.

3 And this law is making us sell on gauge. It's
4 making us keep our gauges up so we can maintain the
5 strength in our bags.

6 Technology in resins and technology in the
7 manufacturing process allows us to do it now, but we
8 can't because we have to implement a highly contaminated
9 product into our virgin materials. It's very costly for
10 us to do this, because we have a lot of downtime in our
11 machinery as well.

12 We understand that, Heritage understands that
13 supporting options six and seven is a hard thing to
14 stomach because you're talking about Eliminating this
15 law; but if you do this, you will naturally see a
16 decrease in the gauges of the resin out there, true
17 source reduction.

18 What you're doing now is you're making us
19 increase the thickness of the product, and that's going
20 right back into the landfill. And garbage bags do not
21 get recycled. Coke bottles and all the other film type
22 plastics, stretch film get recycled, not garbage bags.

23 So what we're doing is we're taking recycled
24 material, we're putting it back into garbage bags, and
25 we're putting more plastic into the landfills.

1 True source reduction in my mind is eliminate
2 the plastic at the very beginning, let us eliminate by
3 cutting gauge to point nines and point seven fives, and
4 that is a lot less plastic, that's a quarter of a pound
5 every pound we make. That's true elimination, that's
6 true source reduction.

7 Any questions I can answer?

8 COMMITTEE MEMBER EATON: So for you the issue
9 is not the availability?

10 MR. EBERHARD: No, we have a lot of trouble
11 finding --

12 COMMITTEE MEMBER EATON: I just heard that it
13 was availability, you just said it's not availability,
14 it's an economic decision.

15 MR. EBERHARD: No, sir. We do have trouble
16 finding product, but because this law is in place we
17 have to try to use what we get, so it's a two-fold
18 problem for us.

19 When we do get it we have to use it. And there
20 are times, we couldn't find it for three months last
21 year, we couldn't get recycled material.

22 We've done some plant tours with some of your
23 staff members, and we have shown them what it, what the
24 contaminated product that we have to use, because that's
25 all we can get, does to our machines, does to our

1 properties. It is detrimental to the properties of
2 plastic.

3 We don't want to fight the system, we want to
4 just say hey, look, there's a much better way to reduce
5 plastic in the landfills, there's a much better way and
6 there's much better ways for applications. Recycled
7 material, the plastic lumber industry is taking the
8 majority of the recycled material. And that's been one
9 of our big issues on why we can't get it.

10 That is true recycling because the plastic
11 industry has a thirty to forty year lifespan on their
12 plastic lumber. Ours is going to go right back into the
13 landfill and it will never be recycled.

14 That's all I have.

15 COMMITTEE CHAIR JONES: Thank you.

16 MR. EBERHARD: Thank you.

17 COMMITTEE CHAIR JONES: Laurie Nelson followed
18 by George Hall.

19 MS. NELSON: Mr. Chair, members, Laurie Nelson
20 on behalf of the Clorox Company, we're headquartered in
21 Oakland, California, and we're the maker of Glad trash
22 bags.

23 Just briefly, the history of the trash bag law
24 when it went into effect a number of years ago, it went
25 in without a lot of input, in fact it went in without

1 any input from trash bag manufacturers, because at that
2 time no trash bag manufacturers had lobbyists. So it
3 was something that the legislature conceived of and put
4 forward, and ever since then we've been trying to tinker
5 with it and fix it. We've amended it two or three times
6 which brings us today.

7 You'll see what's being handed out. We've
8 submitted extensive detail on our efforts to obtain
9 linear low density polyethylene. We sent the letter to
10 Chairwoman Patterson.

11 This company has made a good faith effort. And
12 speaking of efforts, we also appreciate all the time and
13 effort that your staff has put in on this issue.
14 They've had a number of meetings, they've had a workshop
15 on it, and I think that's resulted in an awareness of
16 two things.

17 Number one is the purpose of this law has been
18 met, and that purpose was to divert polyethylene from
19 the landfills.

20 As you heard, plastic lumber, which is a higher
21 better use, you use less energy, you don't have to get
22 it as clean, you don't have to worry about the
23 contaminants, all that material is being sucked up into
24 the plastic lumber industry. That's number one.

25 And the other one is to develop products for

1 the post consumer material product, and that as well is
2 being met by the plastic lumber.

3 I just want to emphasize that despite my
4 company's best good faith efforts, we cannot find enough
5 linear low density polyethylene inside California,
6 outside California, and even outside the nation, we've
7 gone to Canada looking for sources.

8 Because of that we support option seven.

9 COMMITTEE CHAIR JONES: Thank you.

10 MS. NELSON: Thank you.

11 COMMITTEE CHAIR JONES: Any questions? Thanks.

12 Mr. George Hall.

13 MR. HALL: Good afternoon. Thank you for
14 hearing us today.

15 First I'd also like to extend my gratitude to
16 the staff for the work that they've done. And I also
17 sent a letter very similar to the one that Clorox sent
18 that you're looking at now where we documented our
19 extensive efforts to try and obtain enough the quantity
20 and types of material we could use to recycle trash
21 bags.

22 First, Poly America has been a leader in using
23 scrap polyethylene materials for the past 25 years. We
24 were doing it long before it became an environmentally
25 friendly concept. We were doing it because it made a

1 lot of sense, and we continue to do that today. But we
2 do it mostly in products that are a lot thicker and
3 aren't used in a retail environment or in the home.

4 As a point of reference, you heard a reference
5 to a number of almost 14,000 tons of RPPCM that was used
6 in the year 2000. Of that number we accounted for 6,839
7 thousand of those tons. So we, we have from the very
8 beginning, we've been and continue to be one of the
9 largest shippers of materials into this state with
10 recycled content, but in most cases they're thicker
11 films, they're four mil and six mil films used in
12 construction and agricultural uses.

13 Our reported APCM content in trash bags in 1998
14 was 10.3 percent. We've been steadily dropping. And in
15 the year 2000 we were at 3.4 percent, and we claimed the
16 self-exemption for quality and for available quantity.

17 The two primary reasons you've already heard,
18 but I would like to go into them in just a little more
19 detail.

20 The first is that the suitable materials for
21 use in trash bags are becoming less and less available.
22 And by suitable I mean something that is relatively
23 clean, something that hasn't been degraded, and
24 something that can be processed in equipment moving at
25 three to five hundred feet per minute making a film that

1 is seven-tenths of one-thousandths of an inch thick.
2 Most contaminants are larger than the thickness of the
3 film. Any contaminant in that film literally causes a
4 hole and drops our process.

5 Stretch film, grocery sacks, and agricultural
6 products were scrap sources that we actually brought
7 from the State of California back to Texas, put them in
8 materials that then were shipped back to California.

9 However, over the course of the last three
10 years, every single one of those sources has been taken
11 by composite and plastic lumber companies, especially
12 the agricultural films and the stretch wrap.

13 We had accounts with companies like Wal-Mart
14 and Target where we literally collected every pound of
15 stretch film that they use in their distribution
16 centers. Today we collect zero.

17 We had a program set with silage tubes that are
18 used to store silage in the State of California and many
19 other states. Well we, collected the spent silage tube,
20 recycled it, put it back into the plastics products.
21 Today we're down to five percent of the volume we were
22 able to get not less than three years ago because the
23 plastic lumber companies are taking it. And that's only
24 going to continue.

25 The Fredonia Group published a report that

1 presented the deck market that is being supplied by
2 composite plastic lumber in 1995 was 3.3 percent.

3 In the year 2000 it was 6.6 percent.

4 And in the year 2005 they're projecting it's
5 12.2 percent.

6 And the entire deck market is expected to grow
7 more than 30 percent in the next five years. So
8 basically what's happened is at the point of
9 conceptualization of this law back in 1995, there was an
10 issue, we were able to respond to that issue, collect
11 materials that were suitable for trash bags, and get
12 them into that trash bag.

13 But today the trend is that the plastic and
14 composite lumber companies are going to continue to buy
15 more and more of these products.

16 Second, I would like to address the quality
17 issue. And I touched on it briefly. We're trying to
18 make a trash bag, we're trying to process it through
19 equipment running three to five hundred feet per minute.
20 And again, you've seen the thickness of these trash bags
21 if you have them at home.

22 I've brought samples with me of post
23 consumer -- of resin, I'm going to leave them here for
24 you, you can take a look at them. But they vary all the
25 way from one hundred percent virgin, and you can see

1 what that pellet looks like.

2 To a pellet that contained, this is clear
3 RPPCM, it is all scrap, but it only contains 30 percent
4 actual post consumer, the rest of it is industrial.

5 And then I also have a black sample, very
6 similar, it is one hundred percent scrap material, but
7 only has 25 percent actual post consumer in it.

8 I then have film samples that were made from
9 each one of these samples, except in the case of this
10 clear film sample, this is one hundred percent virgin,
11 in the case of the natural color, and you can already
12 see the difference from where you're sitting, this is a
13 blend of 50 percent virgin with 15, with 50 percent of
14 this. And if I could make a trash bag out of it I would
15 get credit for 15 percent post consumer.

16 And then I also have a similar black product
17 that again is made of a 50/50 blend virgin with this
18 material, in which you get credit for twelve and a half
19 percent if I could indeed draw it down and make a trash
20 bag out of it, which I cannot. And I think if you were
21 to look at these materials, and if you take a sample and
22 hold it up to the light, you'll see the problem
23 yourself.

24 In addition, you'll see on here we took these
25 samples and tested 'em for the two strength

1 characteristics that were demanded by our customers;
2 dart impact, which is a measure of puncture resistance;
3 and tear resistance, which measures the propagation of
4 the tear after it's initiated.

5 Just to give you an idea of what happens with
6 our film samples on the one hundred percent virgin, the
7 dart impact was 790, 790 grams.

8 On the sample here with 50 percent of this
9 recycled resin in it, the dart impact was 140 grams.
10 Our customers will not accept that.

11 I, also on tear propagation, the virgin
12 material was 610 grams. And on the sample with the
13 recycled content, it's 227 grams.

14 These materials are very hard to incorporate
15 into trash bags, and have a product that doesn't smell,
16 has the right strength, and also, the most important
17 thing about a trash bag is that it has a seal so that
18 when you're carrying that trash out to the curb the
19 bottom doesn't fall out of it.

20 Every single one of these contaminants makes it
21 more and more difficult to achieve a good seal.

22 In conclusion, I'd like to again thank the
23 staff for their recommendations. While we obviously
24 would like to see option six and seven, we also
25 understand that this has actually taken quite a turn in

1 the last six months, and we understand that maybe more
2 information is needed.

3 But I think that if more information is
4 gathered, you'll come to the same conclusion that we
5 have that the trend is for these materials to be used in
6 a very, very good application, which is composite and
7 plastic lumber, and in thicker construction and
8 agricultural type films.

9 And I also wanted to point out one thing, we do
10 sell, we are one of the largest collectors of scrap,
11 polyethylene in the United States. We have and do sell
12 at times to the Far East. Most of the product that we
13 sell goes into films, not bags. Most of the films that
14 it's made are for construction and agricultural use,
15 vapor barriers, those types of things.

16 Our experience has been that for retail trash
17 bags, even from the Far East, they're not using these
18 types of materials that often in those products.

19 Any questions?

20 COMMITTEE CHAIR JONES: Any questions?

21 Mr. Eaton.

22 COMMITTEE MEMBER EATON: I have one quick one.
23 Let me give you a hypothetical. World petroleum prices
24 drop dramatically. It has been a historical trend, and
25 I will talk about trends myself. As a result, a hundred

1 new resins come on the market. How long will it take
2 you to retool?

3 MR. HALL: I'm not sure I understand the
4 question. You mean a hundred new resins --

5 COMMITTEE MEMBER EATON: Well, you will, with
6 the change in petroleum prices, see a massive, you know,
7 increase in the number of resins that are, become
8 available because of various, you know, processes. And
9 I don't want you to divulge proprietary information, but
10 with you being a businessman, a businessperson will then
11 try and adapt and get the most out of, you know, the
12 results of the market forces.

13 The question is you have to retool your
14 machinery to meet that new resin, I would assume, right?
15 It has certain proprieties in it that may or may not,
16 you know, clog up your machines, may actually help your
17 machines. The question is, what does it take?

18 In Detroit if you're going to make a new car
19 they plan three, four, five years ahead, you know,
20 because that's the way the auto industry works, they
21 can't just next week change what they've done.

22 What is your response time in your industry?

23 MR. HALL: Well, let me address that question a
24 couple of different ways. First off, back in I'm going
25 to say the late seventies, there was a huge quantum leap

1 made with the development of linear low resin, and
2 that's how today we're able to down gauge.

3 At that time there were two significant
4 equipment modifications that needed to be made.

5 Number one, it took more horsepower.

6 Number two, you had to operate with slightly
7 different dies, okay.

8 From the standpoint of virgin resins and
9 developments in virgin resins, we are staying on top of
10 those, and there are some dramatically strong resins
11 that are being developed, but they're still all of a
12 linear low density family.

13 So the only change that we would have to make
14 might be to alter output to get the best balance of
15 properties.

16 If you're talking about recycled content resin,
17 last year is a great example. Last year polyethylene
18 was near its historic low, it can't go much lower. It
19 was down to the point where polyethylene was not much
20 more than the cost of the raw ethylene itself.

21 When you talk about recycle and recycling
22 materials, there are certain costs in there that won't
23 go away. You have to collect, you have to sort.
24 Regardless of what happens when we collect scrap film,
25 we have to pull out plastic -- or paper, wood, any other

1 type of contaminant, and trust me, when we collected
2 from Wal-Mart for all those years, you'd be amazed at
3 the things that were in stretch film.

4 You'd think stretch film would be a relatively
5 clean, nice source of product, but it's not. It's
6 labels, people throw trash in with it, and everything
7 else. We have to sort all that through, and then we
8 have to cut it. And we have to clean it, which is a
9 washing and a drying process because water and
10 polyethylene don't mix during extrusion.

11 And then finally, while we're in the process of
12 extruding it, we have to filter out the contaminants
13 that we can filter out.

14 All those things have a cost. That cost never
15 goes away. What ends up happening in a year like last
16 year when you're talking about the price of ethylene
17 goes down, it becomes less and less and less economical
18 to recycle.

19 But we continue to do so because the key for us
20 is to maintain the sources. And the only way you
21 maintain the sources is by buying on a religious basis
22 year after year after year after year. The plastic
23 lumber people are doing the same thing. Regardless of
24 what the price differential was last year, Trex bought
25 from Wal-Mart. They bought every pound of stretch film

1 that WalMart had at their distribution center, and they
2 will continue to do so because it's the best source they
3 have. They won't lose it no matter what the economy is.

4 I'm not sure if that answers your question, I
5 tried to --

6 COMMITTEE MEMBER EATON: Yes, it does, thank
7 you.

8 COMMITTEE CHAIR JONES: Okay. Thank you very
9 much.

10 MR. HALL: I'll leave those here.

11 COMMITTEE CHAIR JONES: Bill, maybe you could
12 grab those?

13 Tim Shestek, followed by Mark Murray.

14 MR. SHESTEK: Thank you, Mr. Chairman and
15 members, Tim Shestek with the American Chemistry Council
16 on behalf of its business unit the American Plastics
17 Council.

18 I'll be quick and to the point. I think since
19 this law was enacted it really has achieved its primary
20 goal, and that's to divert material from a landfill and
21 to take that material and use it in new applications,
22 not necessarily in bags, but I might even argue in a
23 more environmentally friendly application in the plastic
24 lumber and composite market.

25 Finally, as Mr. Eberhard alluded to, you may

1 have the unintended consequence here of actually source
2 reducing bags considerably by eliminating a PCR content
3 requirement, and further reducing the amount of material
4 that is destined for the landfill.

5 So on behalf of APC, I really do appreciate
6 staff's effort in really diving into this issue and
7 coming up with these recommendations.

8 Thank you.

9 COMMITTEE CHAIR JONES: Mr. Shestek, can I ask
10 you a question? We have, we've got our RPPC rate, our
11 overall plastic rate which keep going down, down, down,
12 down, and now we've got a trash bag film plastic which
13 we're basically going to eliminate.

14 A lot of this, a lot of these programs were
15 predicated on a promise that there were going to be
16 markets for all of this plastic that was being
17 collected.

18 And, you know, we're at a, we're in a, we're in
19 a pretty tough spot here, I think, because we haven't
20 met the mandate of the, you know, recovery. The
21 recovery of plastics continue to go down.

22 And, you know, I can't imagine that the people
23 that are selling the pellets, which are probably your
24 clients -- although I've been told by former members of
25 APC that, you know, they don't make the plastic, they

1 just make the pellet, as well as a lot of other things I
2 was told.

3 I mean we've got a problem here that, you know,
4 I mean clearly it is easier to make material with
5 virgin, or make these bags with virgin material, clearly
6 it is. But I don't think that was the intent of the
7 original legislation. And I don't think it's the intent
8 of, or it's not my idea, as somebody coming from the
9 industry that has collected material all of his life, to
10 continually let end users or markets tell me why they
11 can't use any of the material.

12 I mean I understand it creates a problem, and I
13 understand that it may be having an adverse situation
14 because they're going to heavier bags, but we heard
15 testimony when everybody wanted us to not give an
16 exemption to somebody that had the contract with CostCo
17 two years ago that all of them were cutting the, I mean
18 they were all producing, they were going to compete,
19 they were just going to make sure they made it less than
20 that mil size.

21 So that way, you know, I mean it's bothersome
22 to me when I continue to see reasons why or hear reasons
23 why this can't work, yet we're going to continue to
24 produce more and more and more made with plastic.

25 We just heard testimony that sales are going to

1 go up 52 percent of virgin plastic material irregardless
2 of where it's going to end up. What is APC or the
3 chemistry -- you're the American Chemistry Council. I
4 mean, what options are you offering for more recovery of
5 plastics throughout the, throughout the whole gamut?

6 MR. SHESTEK: Well, I think we've been very
7 active in terms of helping develop markets for end uses
8 of this material. And we participated in, for three
9 years running we've been doing public outreach.

10 Recycling rates are down, yeah, I can't argue
11 that the rate is down, but plastic material in terms of
12 volumes of material being recycled each year is on the
13 upswing, and I don't think we have even scratched the
14 surface in terms of how much material the system can
15 handle, material that's not making its way into the
16 recycling stream that should.

17 We've been working extensively in trying to
18 convince local governments to change the manner in which
19 they do collect plastics, rigid plastics, in trying to
20 boost the amount of material that's in the recycling
21 stream in order to generate new markets and new material
22 and new products that are manufactured with recycled
23 plastic.

24 We were involved with Boise Cascade in getting
25 their system up and running in the northwest to develop

1 the premium quality product that you're hearing about
2 today that's utilizing the majority, if not all of the
3 film plastic that is generated, not just in this state
4 but on a national basis.

5 So we've been active in trying to generate
6 supply, and also generate market demand for
7 participating in the Waste Board's, for three years
8 running, the recycled products trade show where our
9 materials that we're out there talking about new
10 products, where to find 'em, how to buy 'em.

11 I can't force people to buy 'em, I can only
12 educate 'em that they're out there, and that's what
13 we're doing. And we're trying to do a job that I think
14 we have a long way to go, but I think we're finding the
15 acceptance of recycled plastic products is growing, but
16 it is going to take some time.

17 And we're seeing here today and learning today
18 that the material that's going into the bag or is
19 intended to go in bags is going into another market, it
20 isn't actually just being disposed of, it's going into a
21 market that we're going to see some lasting uses for
22 over a variety of years, not back into bags.

23 So I would just argue that we've been engaged
24 in that and we continue to be engaged in trying to
25 develop markets, and also to try to develop an increased

1 supply of material in the recycling stream.

2 COMMITTEE CHAIR JONES: I know you've been
3 engaged, I mean I've worked with you on some of these
4 projects, but my frustration is is that while the
5 plastic lumber industry may be using film plastic, what
6 other types of plastic could they be using to make that
7 same product, you know? I mean they're using
8 polystyrene, they're using, what are they using -- so I
9 guess what I'm saying is, you know, if this whole, if
10 this whole recovered stream that would normally go in
11 trash bags is going, is being diverted into plastic
12 lumber so that we can grow that business, that's because
13 that industry made a choice to use film plastic as
14 opposed to other types of plastics one through seven.

15 MR. SHESTEK: Yeah. I can't speak to exactly
16 what the feedstock that they're using. I have heard
17 some of the manufacturers in the lumber market are
18 looking beyond film and looking at, if you will, some of
19 the minority resin types in the rigid family that aren't
20 making their way into the current established recycling
21 structure.

22 COMMITTEE CHAIR JONES: You see, and that's
23 where the American Chemistry Council could really help
24 us figure out how to put that, how to get that resin
25 into those types of products. That would be really

1 helpful.

2 Thanks, Tim.

3 MR. SHESTEK: Thank you.

4 COMMITTEE CHAIR JONES: Any questions? No?

5 All right.

6 Last speaker, Mr. Mark Murray.

7 MR. MURRAY: Mr. Chair, members, Mark Murray
8 with Californians Against Waste.

9 A funny thing happened to me on the way to the
10 Waste Board. In the last six months, six months ago
11 your staff recommended increasing the minimum content
12 standard for trash bags and doing away with the
13 self-exemption process.

14 Through the stakeholder process, through
15 meetings with Board members and your staff, I came to
16 the conclusion, as Mr. Hall mentioned earlier, that we
17 didn't have enough information to make that
18 recommendation.

19 I'm, I'd like to think that I'm being
20 consistent here today when I'm saying we don't have
21 enough information to make now a hundred and eighty
22 degree different recommendation from your staff. I
23 don't see any new additional information that would have
24 your staff change 180 degrees, but I'm still saying we
25 need more information.

1 And that's why we're recommending option number
2 five. And that is to make sure that this trash, plastic
3 trash bag issue, and frankly, more importantly, the
4 plastic film issue is included in the plastics white
5 paper.

6 And I want to emphasize that this isn't about
7 plastic trash bags. The plastic trash bag law was not a
8 device to screw over the plastic trash bag industry, but
9 it was an effort to try and find a market, any kind of
10 market for plastic film.

11 Now I think it's wonderful that there are other
12 markets developing for plastic film. But plastic film,
13 based on your waste characterization study, still
14 remains the single largest component of the plastic
15 stream that's going to landfilling. We're landfilling a
16 lot more plastic film than we are rigid plaster
17 containers. We're landfilling more plastic film than
18 we're recycling beverage containers. There's a lot of
19 plastic film that's still in the waste stream.

20 Now maybe trash bags aren't the end use market
21 anymore for that plastic film. Maybe we need to work on
22 developing some other markets, some other proposals in
23 terms of maybe it's got to be minimum content in some
24 other products.

25 But before we abandon this law, let's make sure

1 that we do the analysis and we do the study.

2 The industry folks that came up here today were
3 talking about contamination. I didn't hear anything
4 about contamination in your staff presentation. That
5 wasn't the reason they were making the recommendation.
6 And in fact, they talked about the idea of increasing
7 the gauge in plastic trash bags so that they could meet
8 the state specification requirements.

9 The recommendation for increasing recycled
10 content from your staff is to try and do more
11 procurement. It sounds like that's going to have,
12 motivate the industry to increase the gauge of the bags,
13 have bigger bags so that they can qualify and meet the
14 recommendation.

15 So I'm not sure -- I like that idea, but
16 listening to the industry I'm not sure that that's going
17 to be a solution.

18 The bottom line is we need more information
19 here. Before we abandon the existing law we need to
20 make sure that we're, we know where the waste, the
21 plastic film is going, what is the quantity, what are
22 the different types of plastic film that are still in
23 the waste stream, and making sure that we basically take
24 a look at this, the statements that are coming from the
25 industry that they can't use this material because it's

1 too contaminated or that they can't get enough of the
2 material that's of a special quality.

3 So again, we're open. If we can declare
4 victory with regard to the use of plastic films that
5 somehow it's all going to some great recycling end use,
6 we'll be the first to stand up and say, you know, pat
7 ourselves on the back and say we did a great job and
8 it's time to look to other policies.

9 But from what I'm hearing from your staff and
10 what I'm hearing from the industry, we're a long way off
11 from that.

12 I want to again encourage you to utilize the
13 opportunity of the plastic white paper to study the
14 issue of the plastic films that are continuing to go to
15 the waste stream, and what the possible end use markets
16 for those are, and what, what kind of opportunity the
17 plastic trash bag law represents to utilize that film
18 that's going to the waste stream right now.

19 And so I think that's recommendation five, and
20 I would, again I do want to, I appreciate that the staff
21 is looking for creative ways to try and increase the
22 amount of recycled content, I think that the
23 recommendation number six to work with DGS on that, I
24 want to be supportive of that, but again I think we need
25 more information before we can move forward on this.

1 Thanks.

2 COMMITTEE CHAIR JONES: Thanks. Any questions
3 for Mr. Murray?

4 All right. That's our last speaker slip. Go
5 ahead, Ms. Wohl.

6 MS. WOHL: I was going to say we're pretty much
7 bringing this to the Board for discussion, so I don't
8 know if you need to take a vote or anything at this
9 point.

10 COMMITTEE CHAIR JONES: Do any of the members
11 have comments, or would you just as soon wait until the
12 Board meeting to deliver those comments?

13 COMMITTEE MEMBER EATON: Yeah, I'm happy to
14 move along just to the full Board with no
15 recommendation. I think they'll hear the arguments
16 about, you know, that have been raised on both sides
17 which are really good, and they can, and some of the
18 issues that you've raised.

19 First time I ever heard that California is
20 thicker, I always thought we were flakier and thinner,
21 but I guess, so I'm sure they'll be very interested in
22 that.

23 But in all seriousness, I think that there are
24 lots of issues, and we just move along with no
25 recommendation would be my suggestion.

1 COMMITTEE CHAIR JONES: Senator.

2 COMMITTEE MEMBER EATON: That's fine with me,
3 Mr. Chairman, that's fine with me.

4 I tend to lean forward five or six myself, it's
5 probably best that the, it's too important a part of our
6 job that it's probably important to take it to the
7 members of the Board.

8 COMMITTEE CHAIR JONES: All right. This is
9 going to go forward in the Board meeting without a
10 recommendation from this committee. Thank you.

11 All right. Item number P -- no, item number O.

12 MS. WOHL: Okay. O is consideration of the
13 application for expanding the Humboldt County recycling
14 market development zone, and renaming the zone the North
15 Cost Recycling Market Development Zone.

16 And Corky Mau will present.

17 MS. MAU: Good afternoon, committee chair and
18 members of the committee. I am Corky Mau of the
19 recycling market development zone program, and I'm here
20 today to brief the committee on the zone expansion
21 application that was submitted by the Humboldt RMDZ.

22 As the title infers, the expansion application
23 is to expand the current zone boundaries to include the
24 entire county of Del Norte, and to also rename the zone
25 to the North Coast RMDZ.

1 A little background on this. The Humboldt RMDZ
2 was designated in 1993. It is one of the first group
3 that comes up for expiration in March of 2003. We
4 thought this was an opportune time to go ahead and
5 revisit the boundaries, and to look at expanding the
6 operations in the zone.

7 Currently the zone is comprised of the entire
8 county of Humboldt which includes seven incorporated
9 cities. There is a joint powers authority, the Humboldt
10 Waste Management Authority, which represents five of the
11 seven cities.

12 It is mostly a rural community with some port
13 facilities. The major industry clusters are currently
14 timber and fishing, with emerging industries in the
15 horticulture and aquaculture.

16 Currently the Division of Environmental Health
17 in Humboldt County is the lead agency which oversees
18 RMDZ activities.

19 As a note, the current zone administrator,
20 Maureen Heart, is very active in the zone and has
21 dramatically increased the business opportunities for
22 the small businesses there.

23 As with most rural communities, there are
24 challenges to fully be implementing markets in the
25 recycling industry. A few are the high transportation

1 costs; the distant and unstable markets for recyclables;
2 economies of scale, that is there are small quantities
3 of recoverable material that are available to the
4 manufacturers.

5 While the infrastructure has been developing
6 and growing, it has been slow to develop, mostly due to
7 limited resources and budget.

8 While there are challenges, there are also
9 opportunities. We'd like to build on the previous
10 accomplishments that Humboldt RMDZ has already
11 achieved. They have been successful in generating four
12 loans from the RMDZ account to the tune of about \$1.2
13 million. One loan is currently in process, and there's
14 another one in the wings ready to go.

15 They've been very active in the recycle store
16 project. There are seven manufacturers from the zone
17 with over 38 products currently in the inventory.

18 They were very successful in completing a
19 business incubator project which was just actually
20 recently completed a couple of months ago, which was
21 piloting the concept that sharing resources and joint
22 services can help struggling businesses become more
23 sustainable. They are ready to roll this out into other
24 areas of the zone.

25 They have a very active innovators forum of

1 which some of you may be familiar with in the green to
2 gold efforts that are going on with obviously the area's
3 cottage and home-based recycling manufacturers.

4 There is going to be, oh, actually I'm sorry,
5 there is a new transfer station that was recently built
6 in the Humboldt County, and they've expanded their
7 recycling operation capacities.

8 In the County of Del Norte there is a new
9 transfer station that is being planned, along with a
10 resource recovery park. That should be operational in
11 2003.

12 These joint activities and accomplishments will
13 only help to benefit the zone to expand.

14 In Del Norte, another joint powers of
15 authority, which is the Del Norte Solid Waste Management
16 Authority, will be a cooperative partner in joining
17 Humboldt, which will make the county and the, I'm sorry,
18 the zone and the resulting business opportunities that
19 much stronger by sharing their resources and the budget
20 to implement mutual recycling based projects. This
21 should hopefully stabilize the operations of the local
22 recyclers and help build stronger regional markets
23 within the two counties.

24 The program staff recommends that the committee
25 approve the zone expansion and adopt Resolution

1 2002-228.

2 That concludes my presentation. Do you have
3 any questions?

4 COMMITTEE CHAIR JONES: Thanks, Corky.
5 Mr. Eaton.

6 COMMITTEE MEMBER EATON: Is Del Norte in the
7 RMDZ now?

8 MS. MAU: I'm sorry, what was the question?

9 COMMITTEE MEMBER EATON: Is Del Norte in the
10 RMDZ now?

11 MS. MAU: No, it is not.

12 COMMITTEE MEMBER EATON: Well I think anytime
13 the City of Fortuna and Humboldt Waste Management
14 Authority can agree on anything, who are we to step in
15 the way?

16 COMMITTEE CHAIR JONES: Is that a motion?

17 COMMITTEE MEMBER EATON: That's a motion.

18 COMMITTEE CHAIR JONES: Okay.

19 COMMITTEE MEMBER MOULTON-PATTERSON: I'll
20 second.

21 COMMITTEE MEMBER EATON: I noticed that right
22 away, I figured, hey, I've been through enough with them
23 guys.

24 COMMITTEE CHAIR JONES: We have a motion on
25 Resolution 2002-228 by Mr. Eaton and a second by Chair

1 Moulton-Patterson.

2 Would you call the roll?

3 COMMITTEE SECRETARY BAKULICH: Eaton?

4 COMMITTEE MEMBER EATON: Aye.

5 COMMITTEE SECRETARY BAKULICH: Moulton-

6 Patterson?

7 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

8 COMMITTEE SECRETARY BAKULICH: Roberti?

9 (Not present.)

10 COMMITTEE SECRETARY BAKULICH: Jones?

11 COMMITTEE CHAIR JONES: Aye. We're going to

12 put this forward under consent, okay?

13 All right. Now, the Kings game is on in an

14 hour, okay, and it takes me forty minutes to get to

15 Auburn.

16 MS. WOHL: I got it, I got it.

17 COMMITTEE CHAIR JONES: Okay.

18 MS. WOHL: Can I just comment that that last

19 item was done under the new format, so give us any

20 feedback if you like it or if you don't like it.

21 In fact --

22 COMMITTEE CHAIR JONES: You want us to change

23 votes?

24 MS. WOHL: No.

25 COMMITTEE CHAIR JONES: Okay.

1 MS. WOHL: That's just for the future of the
2 Board meeting if you have a problem.

3 So agenda item 23, this is consideration of the
4 contractor for the second assessment of California's
5 compost and mulch-producing infrastructure contract.
6 And I know it's Matt Cotton.

7 Do you want to tell them who the company is,
8 Steve, and then if they have any questions?

9 MR. SORELLE: It's called Integrated Waste
10 Management Consulting.

11 MS. WOHL: So if you have any questions,
12 Steve's available to answer them.

13 COMMITTEE MEMBER EATON: Did we get a report
14 back from these guys?

15 MS. WOHL: Yes, we got the first report and
16 this will be a second report.

17 COMMITTEE CHAIR JONES: This report was
18 actually very helpful in our efforts down in the South
19 Coast Air District.

20 MS. WOHL: Just an FYI, the first one was
21 60,000, this is 49,000, so we are getting some savings,
22 maybe from experience.

23 COMMITTEE MEMBER EATON: I think I'll just move
24 the resolution and adopt Resolution 2002-224.

25 COMMITTEE MEMBER MOULTON-PATTERSON: Second.

1 COMMITTEE CHAIR JONES: We have a motion by Mr.
2 Eaton, seconded by Chair Linda Moulton-Patterson.

3 Call the roll.

4 COMMITTEE SECRETARY BAKULICH: Eaton?

5 COMMITTEE MEMBER EATON: Aye.

6 COMMITTEE SECRETARY BAKULICH: Moulton-
7 Patterson?

8 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

9 COMMITTEE SECRETARY BAKULICH: Roberti?

10 (Not present.)

11 COMMITTEE SECRETARY BAKULICH: Jones?

12 COMMITTEE CHAIR JONES: Aye.

13 MS. WOHL: Okay.

14 MR. SORELLE: Mr. Chair, just to note that the
15 current resolution has some blanks in it because it was
16 written before we finalized it, so we will submit a
17 revised resolution tomorrow.

18 COMMITTEE CHAIR JONES: Great. Thank you.

19 MS. WOHL: And then agenda item Q, which is
20 Board agenda item 24.

21 And I believe Bill has tickets to the game, so
22 he has a real incentive.

23 MR. ORR: I'm motivated.

24 COMMITTEE CHAIR JONES: So that is
25 consideration of California Integrated Waste Management

1 Board Designee to the Collaborative for High Performance
2 Schools Board of Directors.

3 MR. ORR: As you know, CHPS is an organization
4 dedicated to making schools a better place to live.
5 CHPS was recently incorporated in January of 2000, and
6 in the process created a board of directors that has one
7 position dedicated to the CIWMB.

8 Staff has presented several options, and would
9 recommend option two, that the Board delegate the
10 authority to the chair of the Board to designate the
11 CIWMB representative, and adopt Resolution 2002-231 as
12 revised.

13 COMMITTEE CHAIR JONES: Thanks, Mr. Orr.

14 I'm going to move adoption of Resolution
15 2002-231 revised.

16 COMMITTEE MEMBER MOULTON-PATTERSON: I'll
17 second it.

18 COMMITTEE CHAIR JONES: Okay. We have a motion
19 and a second.

20 Call the roll.

21 COMMITTEE SECRETARY BAKULICH: Eaton?

22 COMMITTEE MEMBER EATON: Aye.

23 COMMITTEE SECRETARY BAKULICH: Moulton-
24 Patterson?

25 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

1 COMMITTEE SECRETARY BAKULICH: Roberti?

2 (Not present.)

3 COMMITTEE SECRETARY BAKULICH: Jones?

4 COMMITTEE CHAIR JONES: Aye.

5 MS. WOHL: Okay. And then agenda items R and S
6 are the scope of work and then the consideration of
7 Shasta College as the contractor for sustainable
8 building and audit adult learning contract.

9 And Clark Williams will present.

10 COMMITTEE CHAIR JONES: Can I ask a quick
11 question?

12 MS. WOHL: Sure.

13 COMMITTEE CHAIR JONES: Is this -- okay. I've
14 done some work up there, in fact, Mr. Eaton and I went
15 up and met with them. Is that their staff that we're
16 talking about, or is it that one woman that's real, real
17 active, is she like the spearhead of this thing? Okay,
18 I wasn't sure, I didn't pick it up, I just wanted to
19 make sure.

20 Sorry, go ahead. I didn't mean to interrupt
21 your presentation.

22 MR. WILLIAMS: The sustainable building and
23 adult learning contracts basically will be -- the
24 sustainable and adult learning contract will be
25 assisting the Board's program in developing sustainable

1 building programs in the California State Universities,
2 community colleges, and the University of California
3 campuses.

4 Take the existing training materials we have
5 and putting 'em in an on-line format so we can offer
6 continuing education credits to building professionals.

7 Leveraging the existing CHPS materials into a
8 curriculum for California students.

9 Developing residential construction curriculum.

10 Establishing a partnership between California
11 State Parks and the National Parks Service. The
12 National Parks Service has a fairly mature sustainable
13 building program, and there's a lot of lessons to learn
14 from the California State Parks system.

15 And also assisting in environmentally
16 preferable products specification development.

17 And then the second item is item S which is
18 consideration of Shasta College as the contractor.

19 COMMITTEE MEMBER EATON: Mr. Jones, I move that
20 we adopt Resolution 2002-229 regarding the scope of work
21 for the sustainable building contract.

22 COMMITTEE MEMBER MOULTON-PATTERSON: Second.

23 COMMITTEE CHAIR JONES: Thank you. We have a
24 motion and a second to adopt.

25 Would you please call the roll?

1 COMMITTEE SECRETARY BAKULICH: Eaton?

2 COMMITTEE MEMBER EATON: Aye.

3 COMMITTEE SECRETARY BAKULICH: Moulton-
4 Patterson?

5 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

6 COMMITTEE SECRETARY BAKULICH: Roberti?

7 (Not present.)

8 COMMITTEE SECRETARY BAKULICH: Jones?

9 COMMITTEE CHAIR JONES: Aye.

10 COMMITTEE MEMBER EATON: And since he was kind
11 enough to include the second part in his presentation,
12 which would have been item number 26, I move that we
13 adopt Resolution 2002-230 regarding the Shasta College
14 as the designee for the contract.

15 COMMITTEE MEMBER MOULTON-PATTERSON: Second.

16 COMMITTEE CHAIR JONES: All right. We've got a
17 motion. Any problem with substituting the previous
18 roll?

19 COMMITTEE MEMBER EATON: Do the money.

20 COMMITTEE CHAIR JONES: Oh, this is the money.

21 COMMITTEE MEMBER EATON: You're doing the
22 money.

23 COMMITTEE CHAIR JONES: Go ahead.

24 COMMITTEE SECRETARY BAKULICH: Eaton?

25 COMMITTEE MEMBER EATON: Aye.

1 COMMITTEE SECRETARY BAKULICH: Moulton-
2 Patterson?

3 COMMITTEE MEMBER MOULTON-PATTERSON: Aye.

4 COMMITTEE SECRETARY BAKULICH: Roberti?

5 (Not present.)

6 COMMITTEE SECRETARY BAKULICH: Jones?

7 COMMITTEE CHAIR JONES: Aye.

8 MS. WOHL: Okay. So R would be on consent,
9 and S would be sort of that abbreviated version?

10 COMMITTEE CHAIR JONES: Yes.

11 MS. WOHL: Okay. And then agenda item T, we're
12 actually going to defer it to the Board, but I just
13 wanted to give you some information on that so you know
14 where we're at.

15 We found out during the interview process that
16 although we had asked for it to be notified as 150,000,
17 it only went out as a hundred thousand, so we are
18 attempting to put out an addendum on that.

19 The addendum gave it eight days, which is up
20 Wednesday afternoon, to allow any additional people who
21 may not have come in because it was a hundred thousand
22 but would be interested in 150. So we're waiting to see
23 if we have anybody else that we need to interview for
24 that. And so we're thinking that by Friday we should be
25 able to tell you if we got anybody.

1 If we get somebody else, then we may have to
2 defer it until June. If not, then we'll move forward
3 with the interviews that we have going so far and we'll
4 let you know who that is on Friday.

5 So that's kind of the update on that.

6 COMMITTEE MEMBER EATON: So we should just move
7 it to the full Board?

8 MS. WOHL: Right, just move it to the full
9 Board and we'll give a presentation there.

10 COMMITTEE CHAIR JONES: Then it will be moved.
11 Any comments from the public? Any comments from the
12 members?

13 Thank you all very much, we appreciate it.

14 We're adjourned.

15 COMMITTEE MEMBER MOULTON-PATTERSON: Thank you
16 very much.

17 (Thereupon the foregoing was concluded
18 at 4:47 p.m.)

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1 CERTIFICATE OF CERTIFIED SHORTHAND REPORTER

2
3 I, DORIS M. BAILEY, a Certified Shorthand
4 Reporter and Registered Professional Reporter, in and
5 for the State of California, do hereby certify that I am
6 a disinterested person herein; that I reported the
7 foregoing proceedings in shorthand writing; and
8 thereafter caused my shorthand writing to be transcribed
9 by computer.

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said proceedings, nor
12 in any way interested in the outcome of said
13 proceedings.

14 IN WITNESS WHEREOF, I have hereunto set my hand
15 as a Certified Shorthand Reporter and Registered
16 Professional Reporter on the 19th day of May, 2002.

17
18
19
20 Doris M. Bailey, CSR, RPR, CRR
21 Certified Shorthand Reporter
22 License Number 8751
23
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